

DRAFT REVIEWED 2009-2013 EKURHULENI METROPOLITAN MUNICIPALITY INTEGRATED
DEVELOPMENT PLAN

**DRAFT: REVIEW OF 2009-2013 EKURHULENI
METROPOLITAN MUNICIPALITY INTEGRATED
DEVELOPMENT PLAN**

February 2010

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Annexures and files contained on the Compact Disk (CD) provided:	
Annexure “A” GDS 2025	
Annexure A1” Addendum to the GDS 2025	
Annexure “B” Reviewed Service Delivery Model	
Annexure “C” Draft Reviewed SDF	

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Annexure “D” Reviewed EMM Disaster Management Plan

**Annexure “E” Tembisa Urban Management Plan and Master Plan Framework
Departmental Plans**

1. INTRODUCTION

1.1 Background

Integrated Development Planning is a process through which municipalities prepare a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is a product of the IDP process. The EMM IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision –making processes in the municipality.

Through Integrated Development Planning which necessitates the involvement of all relevant stakeholders, a municipality:-

- Identify its key development priorities;
- Formulate a clear vision, mission and values;
- Formulate appropriate strategies;
- Develop the appropriate organizational structure and systems to realize the vision and mission; and
- Align resources with the developmental priorities.

In terms of the Systems Act, all municipalities have to undertake an IDP process to produce IDP's. As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local government level.

In a nutshell, the IDP process entails an assessment of the existing level of development and the identification of key development priorities. The vision and mission statements for the long term development flow from the aforesaid, with specific reference to critical developmental and internal transformational needs. The development strategies and objectives will be directed at bridging the gap between the existing level of development and the vision and mission. A very critical phase of the IDP process is to link planning to the municipal budget (i.e. allocation of internal or external funding to the identified projects); because this will ensure that the IDP directs the development and implementation of projects.

During the past nine years we have made definite progress in enabling the people of this region to enjoy the fruits of liberation and democracy. We have seen substantial improvements made in providing healthcare, building houses and providing water, electricity and sanitation and the bucket system has been eradicated. We have laid a solid foundation and are on course to improving the lives of our communities. As we celebrate the change in our communities, we are also aware of the many challenges we still face. The unemployment rate has come down from approximately 40% in 2001 to just over 34% in 2006. Our fight against poverty and underdevelopment will be further intensified to work towards halving unemployment. Our responsibility as a sphere of government is to ensure that the quality of life of all

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that live and work in Ekurhuleni is improved. We will continue to engage in both progressive and meaningful discussions with our communities and stakeholders to shape a clear path from which governance and development will draw guidance and direction. The council will continue to pursue and encourage community participation programmes to ensure our plans are in line with community needs.

We have a responsibility to contribute to the process of transforming the lives of our people from the conditions of abject poverty and underdevelopment. In our fight against poverty, racism and underdevelopment, we are committed to ensuring that equitable service delivery becomes the norm in Ekurhuleni. For this reason EMM have to focus on the following National and Provincial priorities and its plans support the following:

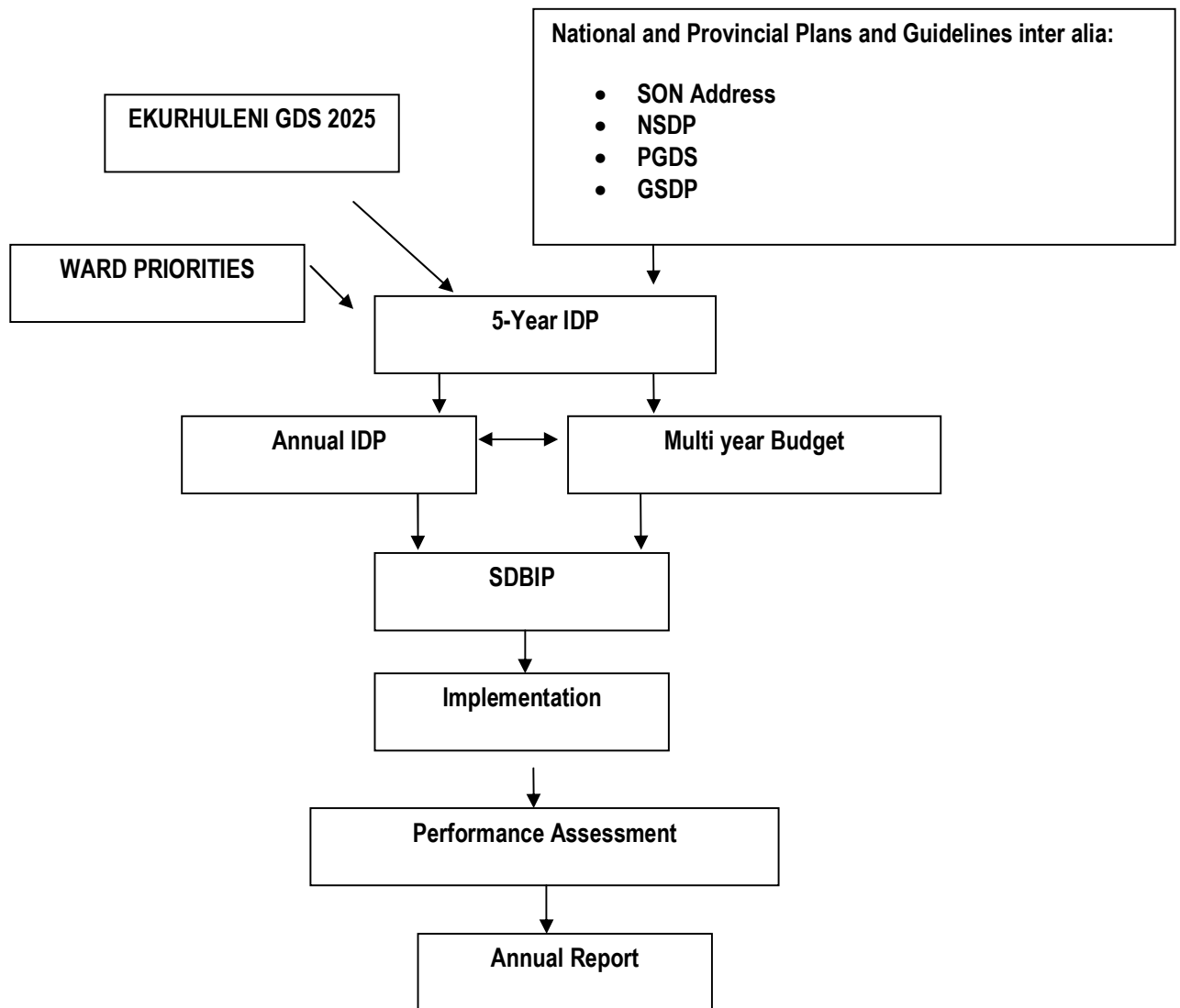
- Building a Development State
- Accelerate Growth, Decent work and Sustainable Livelihoods
- Building Economic and Social Infrastructure
- Comprehensive Rural development strategy, Land and Agrarian Reform and Food Security
- A strengthened skills and human resource base
- Improved health profile of the country
- Intensified fight against crime and corruption
- Building cohesive, caring and sustainable communities
- Sustainable natural resource management and use

The EMM IDP contains plans and programmes which will enable the achievement of inter alia the following:

- All communities will have access to clean water and basic sanitation by 2014;
- There is universal provision of free basic services;
- Creation of safety and security for communities, including plans to deal with disaster and emergencies;
- Utilize sports, recreation, arts and culture for social and physical renewal and building of single identity of Ekurhuleni community;
- Environmental management, including dealing with conditions of dolomite prevalent in the city;
- Development of an integrated transportation system linking both rail, road and air transportation, and emphasizing the development of metro bus system;
- Providing health care and facilities to all our communities and support it by introducing social upliftment programmes across the municipality.

1.2 The Planning Framework

The following is a graphic illustration of the strategic planning framework followed in the planning process of reviewing the EMM IDP



Through the above process National and Provincial programmes and their respective targets are being addressed. Inter alia, the following National targets are contained in the IDP and Budget albeit dependent is on additional funding to be made available from national and provincial spheres:

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- All people will have access to potable water by 2014 – This target has been achieved. All communities in EMM have access to potable water
- All people will have access to basic sanitation services by 2014
- All people to have access to electricity by 2014; and
- Upgrading/ formalization of all informal settlements, including the eradication of the basic services backlog to be achieved by 2014

2. STATUS QUO

2.1 Introduction

The Metropolitan Municipality of Ekurhuleni was established in 2000. It covers an extensive geographical area, from Germiston in the west to Springs and Nigel in the east. Ekurhuleni is one of six metropolitan municipalities resulting from the restructuring of local government.

The former local administrations of the nine towns in the East Rand – Alberton, Benoni, Boksburg, Brakpan, Edenvale/Lethabong, Germiston, Kempton Park/Tembisa, Nigel and Springs – were amalgamated into the new Metropolitan Municipality, along with two other councils – the Khayalami Metropolitan Council and the Eastern Gauteng Services Council.

Ekurhuleni has a total surface area of $\pm 2\,000\text{km}^2$ that accommodates a population of ± 2.7 million (Source: Global Insight Regional eXplorer (ReX) v.351). This constitutes $\pm 5.6\%$ of the national population and makes up 28% of Gauteng's population. The population density is approximately 1 400 people per km^2 , making Ekurhuleni one of the most densely populated areas in the country and province. By comparison, population density in Gauteng is 596 people per km^2 and 39 people per km^2 in the country.

The Ekurhuleni metropolitan economy is larger and more diverse than that of many small countries in Africa, including all the countries in Southern Africa. It accounts for nearly a quarter of the Gauteng economy, which in turn contributes over a third of the national Gross Domestic Product. Ekurhuleni contributes $\pm 7\%$ to the country's spending power and $\pm 7.4\%$ to the nation's production. In most respects – per capita income, unemployment, poverty, average wages and other indicators of human development - it is similar to the rest of Gauteng. However, there is one important structural difference: many of the factories for production of goods and commodities are located in Ekurhuleni. Manufacturing in Ekurhuleni accounts for just less than 20% of the GDP of Gauteng. In Ekurhuleni itself, manufacturing accounts for some 28% of total production output. Because of this, the largest concentration of industry in the whole of South Africa (and in Africa), Ekurhuleni is often referred to as "Africa's Workshop".

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The downside of the strong manufacturing sector is that globalisation has a definite impact on the structure of production and on the demand for labour. Ekurhuleni, although not benefiting from direct capital investments as a result of the automotive sector developments in the country, continues to play the role of the workshop of, for example the economy, with production of structural steel and fabricated metal products serving as inputs into other areas' economies. In the period 1998 to 2003, annual economic growth in Ekurhuleni has expanded constantly at almost double that of the national manufacturing growth rate. The economically active population is 57% compared to 40% nationally. Household income and per capita income exceed the national average by 10% and 33% respectively. The percentage of people living in poverty nationally is 44.4%, compared to 24.2% in Ekurhuleni (Source: Global Insight Regional eXplorer (ReX) v.351).

Ekurhuleni has a network of roads, airports, rail lines, telephones, electricity grids and telecommunications that rivals that of Europe and America – a first world infrastructure supporting a well established industrial and commercial complex. Ekurhuleni can, in fact, be regarded as the transportation hub of the country. The municipality is home to the OR Tambo International Airport, the busiest airport in Africa. O R Tambo International Airport services the entire continent and links to major cities throughout the world. Similarly, many of the world's leading airlines fly into O R Tambo International Airport. Some 14 million passengers pass through this airport each year. In addition, a number of smaller domestic airlines connect O R Tambo International Airport with cities throughout South Africa. South Africa's largest railway hub is in Ekurhuleni (Germiston) and links the city to all the major population centres and ports in the Southern African region. A number of South Africa's modern freeways and expressways connect Ekurhuleni to other cities and provinces. The Maputo corridor development, South Africa's most advanced spatial development initiative, connects Ekurhuleni with the capital of Mozambique and the largest South African Indian Ocean port. Direct rail, road and air links connect Ekurhuleni to Durban, the biggest and busiest port within South Africa. During the period 1995 to 2005, the Gauteng government was strategic in upgrading some of the ageing road networks linked to the industrial hub, to promote the movement of goods and services.

The Blue IQ projects, situated within Ekurhuleni, include the Wadeville-Alrode Industrial Corridor with linkages to the largest logistical hub, the City Deep Container terminal, the planned Gautrain rapid rail link to Johannesburg and Tshwane and the O R Tambo International Airport Industrial Development Zone (IDZ). The latter aims to cluster light manufacturing, more especially in beneficiation, and to develop an aero space park. The EMM's annual budget is in the region of R13,5 billion, of which more than R2 billion is being budgeted annually for capital projects in line with the priorities set in the Integrated Development Plan (IDP). The bulk of this

expenditure is dedicated to upgrading facilities and removing infrastructure backlogs that were caused by apartheid.

2.2 The Current Situation

The Growth and Development Strategy 2025 GDS depicts the status quo that exists in Ekurhuleni. It follows a landscape approach, describing the status quo in terms of three Key Performance Areas namely: Infrastructure and Services, Economic Transformation and Social Transformation. The present status quo of these Key Performance Areas (KPA) are summarised below. These characteristics determined the specific focus areas around which the GDS was formulated. What follows is a high level summary of the status of development in Ekurhuleni:

2.2.1 Infrastructure and Services (Physical Development)

- As it consists of nine CBDs with no clearly identifiable core area and no central theme, Ekurhuleni lacks a clear identity and should find innovative ways to create a unique identity for itself;
- Due to the conglomeration of nine East Rand towns and large vacant land parcels in the mining belt around the urban core, Ekurhuleni's spatial distribution is fragmented, causing an inequitable city. This has led to low development densities with historically disadvantaged communities situated on the urban periphery;
- Many areas in the city have poor transportation linkages and offer poor mobility. This is due, in part, to high levels of congestion on the national and provincial road network and freeway interchanges and large parts of the planned provincial road system not having been built. There are also inadequate linkages between certain nodes in the EMM as well as a lack of integrated public transport nodes and systems. Some 22% of the municipal road network is still gravel and, although there is a good rail network, it is underutilised;
- Many areas in the city have an ageing and poorly maintained trading services infrastructure which is subject to frequent breakdowns. Many communities have inadequate access to basic services due to infrastructure backlogs experienced in township areas and informal settlements;
- Due to mining activities, urbanisation and industrialisation, environmental problems such as dolomite, informal settlements, industry and pollution, Ekurhuleni is characterised by large areas of degraded environment. However, some unique environmental opportunities such as rivers and wetlands, ridges and agricultural potential have also been identified;

- Many areas in the city are decayed, performing poorly and in need of urban renewal, but at the same time present an opportunity to capitalise on existing infrastructure to build vibrant urban communities; and
- Current ICT infrastructure such as broadband is inadequate to accommodate the rapid technological growth required, particularly in high-tech hubs such as those surrounding OR Tambo International Airport.

2.2.2 Economic Transformation

- The local economy requires a greater degree of sustainable diversification as it is presently dominated by the manufacturing sector;
- As is the case elsewhere in South Africa, unemployment is high at $\pm 35\%$ and policies to promote labour absorption and job creation will be of crucial importance to the future of the city;
- The improvement of skills levels to attract and support local economic growth is of critical importance as technical skills levels are low and not compatible with the skills requirements of the local economy. The literacy rate is 84% for example, but computer literacy is low;
- Due to the location of OR Tambo International Airport within its borders, Ekurhuleni is a gateway to Africa, and opportunities for tourism promotion and development locally should be exploited. These include opportunities for business and retail tourism and the Klipriviersberg, Wetlands and Bird Sanctuaries;
- No city can survive without new investment in physical, economic and social infrastructure. Therefore, investment promotion and facilitation must be a key focus area to attract entrepreneurs and address the varying levels of investment throughout the Metro; and
- There is skewed distribution of wealth and resources, with the greatest portion of the wealth in the city still in the hands of a small elite. Broad based economic transformation as well as entrepreneurial activity will be promoted at every opportunity.

2.2.3 Social Transformation

- With $\pm 24\%$ of the local population living in poverty and the current unemployment rate at $\pm 35\%$, the levels of poverty and unemployment in Ekurhuleni are unacceptably high, and need to be addressed in a sustainable way. The majority of people living below the poverty line, live on the urban periphery, far away from job opportunities and social amenities;
- Many people in Ekurhuleni still live in overcrowded informal settlements without adequate access to engineering and social infrastructure. The creation and promotion of sustainable human settlements is therefore an important priority. There is a housing backlog with 134 000 shacks in

informal settlements and 36 000 backyard shacks. This is constantly worsening as the influx is set to continue and many informal settlements are situated on land not suitable for housing. Well-located land suitable for housing development is not readily available. Past subsidy schemes have also resulted in mono-functional, non-sustainable areas;

- High levels of HIV and Aids and other poverty related diseases such as TB are experienced in the poor communities and access to health care is inequitable. There is a high rate of infant and child malnutrition;
- The crime and domestic violence rates are unacceptably high and a higher level of safety and security for the inhabitants of the city will be pursued. Various risks such as airports, gas pipelines and old mining areas have the potential for causing disasters; and
- The city is characterised by inadequate and inequitable provision of and poorly maintained parks, sport and recreational facilities, public places and cemeteries. Green areas are fragmented and disjointed with no central theme.

2.3 Economic Profile

In order to go somewhere, you need to know where you are, first. Local government has a need to be able to assess the demographic, economic, and socio-economic status quo; as well as measure growth and development on a sub-national level and, more specifically, on local metropolitan municipality levels. This type of information and estimates are needed for activities such as:

- Policy and strategy decisions;
- Economic planning;
- Market development; and
- Infrastructure planning, development, and delivery. The economic profile overview of Ekurhuleni serves to inform decision makers regarding the characteristics of the Ekurhuleni economy.

As a result of the lag in the statistical data reporting and collection process, it is currently only possible to provide estimates for economic variables up to the year 2006. National-level information from Statistics South Africa and the South African Reserve Bank for 2006 has also been used.

Ekurhuleni's key demographic and socio-economic characteristics are summarised in the following table and put in context when viewed with the Gauteng provincial and South African national picture. National boundaries have changed over the last decade, thus figures in the demographic context differs from the 2002 report. The region covers approximately 2 000 square kilometers, which translates into 11.63% of Gauteng and 0.16% of the national areas, respectively. Evident is that the area is extremely densely populated when compared with both Gauteng and national population density. Ekurhuleni houses approximately 5.7% of the country's

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population and 27.32% of the Gauteng province's total population. Income levels in Ekurhuleni are above national average (which is to be expected for most urban areas in South Africa), but below that of the Gauteng province's average. Unemployment rates are similar to the national average, but higher than that of the Gauteng province on average; while the percentage of people in poverty is lower than the national average, but similar to Gauteng's average.

Table 1: Ekurhuleni key comparative statistics, 2006

	Ekurhuleni	Gauteng	South Africa
Region area (sq km)	1,928	16,579	1,221,246
Population	2,699,394	9,879,610	47,560,742
Population density (nr of people per sq km)	1400	596	39
Economically active population (as % of total pop.)	57.3%	57.0%	40.5%
No of households	868,976	3,155,402	12,883,990
Average household income (Rand, current prices)	107,349	142,905	94,090
Annual per capita income (Rand, current prices)	34,557	45,642	25,489
Gini coefficient	0.59	0.58	0.64
Formal sector employment (estimates)	696,204	3,670,360	9,896,088
Informal sector employment (estimates)	98,234	477,803	2,110,379
Unemployment rate	34.3%	30.0%	37.7%
Percentage of persons in poverty	24.2%	22.9%	44.4%
Poverty gap (R million)	1,172	3,903	37,897
Human development index (HDI)	0.68	0.71	0.62
Index of Buying power (IBP)	0.08	0.35	1.00
Share of Economic output (GVA % of SA 2006)	6.6%	33.7%	100.0%
Economic growth 1996-2006 (GVA % growth pa) (Constant 2000 prices)	2.7%	4.1%	3.4%

Source: Global Insight Regional eXplorer (ReX) v.351

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The Human Development Index (HDI) for Ekurhuleni indicates that the area fares better than the national average, whilst lagging slightly behind the Gauteng average. The HDI for Ekurhuleni is 0.68, which is indicative of a medium-developed municipality. The buying power in the area is based on Global Insight's Index of Buying Power (IBP), which indicates that only 8% of the country's spending power is located in Ekurhuleni compared to 35% in Gauteng as a whole.

However, Ekurhuleni is a large and significant local economy in the South African economic context. Some summary estimates (presented in Table 2) illustrate that Ekurhuleni has a resident population of approximately 2.7 million people; the area contributes approximately 7% to national production and has a share of approximately 6.6% of national employment. Over the period 1996 to 2006, Ekurhuleni's economy grew by an estimated average of 2.7% per annum. Ekurhuleni contributes approximately 19% to the total economic output of the Gauteng province. Evident from the table is that Ekurhuleni did not share in the same strong growth that Johannesburg exhibited over the same period.

Table 2: Population, output, employment, and economic growth in South Africa's major cities

Area	Population in 2006	Contribution to National Economic Output in 2006	Share of National Employment	Average Annual Economic Growth, 1996-2006
Ekurhuleni	2,699,394	6.6%	7.0%	2.7%
City of Cape Town	3,132,774	10.0%	11.2%	4.3%
eThekweni	3,300,906	7.9%	10.6%	4.0%
City of Johannesburg	3,460,916	17.9%	16.3%	4.9%
Nelson Mandela Bay	1,077,556	2.3%	3.5%	3.4%
City of Tshwane	2,129,866	9.2%	8.4%	4.8%
Gauteng	9,879,610	37.1%	33.7%	4.1%
South Africa	47,560,742	100.0%	100.0%	3.4%

Source: Global Insight Southern Africa – Regional eXplorer

Since information used to derive economic activity estimates are in most cases reported by company head offices, combined with the fact that many manufacturing operations have head offices in the Johannesburg and other metropolitan municipalities—while the production plants are located in Ekurhuleni— one necessarily needs to interpret the economic performance-estimates in such context. This may imply that some of the estimates obtained for Ekurhuleni may be on the conservative side.

3. VISION, MISSION & VALUES AND STRATEGIC PRIORITIES

Strategic work undertaken by Ekurhuleni since 2000 to guide the Integrated Development Planning Process included the development of a long term vision, mission and organisational values. To be able to change the situation reflected in the status quo, the strategic focus of the Ekurhuleni GDS 2025 is to build on the long term vision of the Ekurhuleni Metropolitan Municipality.

3.1 Vision

The Smart, Creative and Developmental City

3.2 Mission

It is based on the above vision that a mission statement was developed as a way of forging ahead towards achievement. The mission statement is:

Ekurhuleni provides sustainable and people centred development services that are affordable, appropriate and of high quality. We are focused on social, environmental and economic regeneration of our city and communities, as guided by the principles of Batho Pele and through the commitment of a motivated and dedicated team.

3.3 Values

In pursuing the above-mentioned vision and mission the EMM is committed to upholding the following core values:

- Performance Excellence;
- Integrity;
- Community Centeredness;
- Transparency; and
- Cooperative Governance.

3.4 Strategic Priorities

The following seven strategic development priorities were identified by EMM which forms the foundation of the work EMM is doing to work towards achieving its vision:

- Promoting good governance;
- Fighting poverty and underdevelopment;
- Urban renewal;
- Job creation;
- Safety and security;
- Partnership against HIV and Aids; and
- Enhancing public participation.

4. EKURHULENI GROWTH AND DEVELOPMENT STRATEGY (EGDS) 2025

To be able to achieve the vision of becoming *The Smart, Creative and Developmental City*, and direct the attention to the status quo, a strategic development agenda was put in place that guides the EMM planning and budgeting processes. It has been set along three development areas as well as one relating to municipal transformation and institutional development, to ensure the institutional capacity and administrative support to the organisation to deliver on its mandate. The agenda set along the four different development areas in the EGDS 2025 is as follows:

STRATEGIC FOCUS AREA, AGENDA, OUTCOMES AND MILESTONES		
4.1 INFRASTRUCTURE AND SERVICES		
STRATEGIC FOCUS AREA	2025 AGENDA	OUTCOMES AND MILESTONES
Clear City Identity	A well-developed and vibrant core economic area which imparts a unique character and identity to Ekurhuleni	<p>An identified core economic area :</p> <p>Area identified in 2004 to be prioritized i.t.o. development.</p> <ul style="list-style-type: none"> • Increased development and investment in the core economic triangle of Ekurhuleni: • Gautrain construction and related development adjacent to JIA. • Successful development of the R21 corridor. • Successful development of the Government Precinct in Germiston. • Subsidy-linked housing development in the mining belt.
Spatial Development.	An integrated and equitable city.	<p>Improved accessibility and mobility throughout the metropolitan area.</p> <ul style="list-style-type: none"> • Strong east-west corridor along the N12 / N17 freeways and north south corridor along the R21 freeway. • Areas of urban density – infill development on vacant and underutilized land between the urban core and the peripheral township areas. • A managed and respected urban edge.
Roads & Transport	High quality, integrated and well-maintained	Effective and integrated planning and implementation:

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	<p>transportation infrastructure, integrated public transport systems, ensuring a high degree of mobility and choices to commuters.</p>	<ul style="list-style-type: none"> • Integrated Transport Plan in place by 2007. • Transport Authority established by 2009. • Road Agency established by 2012. • High quality integrated and well-maintained infrastructure : • Roads building programme in place by 2006. • Current backlog of gravel roads to be eradicated in 2015. <p>Additional freeways built :</p> <ul style="list-style-type: none"> • Upgrading R21 and R24 for additional capacity and lanes by 2010. • PWV 13/14 built by 2020. • PWV 15 built by 2025. <p>A strategic network of public transport corridors providing sub-regional linkages.</p> <ul style="list-style-type: none"> • Improved usage of public transport services : • Taxi recapitalization by 2010. • Modal integration for public transport to Gautrain by 2010. • Bus services to cover all areas in Ekurhuleni by 2015. • Transport information center established by 2020. • Start building additional rail linkages by 2020. • Modal transfer facilities provided at all stations by 2025. <p>More use of non-motorized transport:</p> <ul style="list-style-type: none"> • Pedestrian and bicycle-strategies in place by 2007.
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<p>Service Infrastructure</p>	<p>High quality and well-maintained services, equitable services throughout the urban areas</p>	<p>Well-maintained services in all areas.</p> <ul style="list-style-type: none"> • All maintenance backlogs to be eradicated by 2010. <p>All communities to have equitable access to services:</p> <ul style="list-style-type: none"> • All people to have access to potable water by 2008. • All people to have access to basic sanitation services by 2010. • All people to have access to electricity by 2012. <p>More sustainable disposal of solid waste:</p> <p>Comprehensive waste minimization strategy [including recycling] to be in place by 2007.</p> <p>Improved storm water management :</p> <ul style="list-style-type: none"> • Storm water Master plan to be in place by 2007. • Storm water system backlogs to be eradicated by 2020.
<p>Environmental Management.</p>	<p>A substantial increase in the general quality of the environment</p>	<p>A clearly defined and functional open space network:</p> <ul style="list-style-type: none"> • Open space plan to be finalized by 2007. • 50% of open space system to be developed by 2015. • 100% of open space system to be developed by 2025. <p>All development to be guided by an EMF:</p> <ul style="list-style-type: none"> • EMF's for the entire Ekurhuleni area to be in place by 2006. <p>Measurable decline in land, water and air pollution :</p> <ul style="list-style-type: none"> • Pollution monitoring systems to be in place by 2010. <p>Measurable increase in the utilization of alternative energy sources:</p> <ul style="list-style-type: none"> • Strategy to be in place by 2010. <p>Substantial environmental improvement in the</p>

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		<p>mining belt:</p> <ul style="list-style-type: none"> • Implementation of Hloekisa project to commence by 2006. • All mine dumps/slimes dams with economically viable mineral content to be removed by 2025. • All other mine dumps/slimes dams to be rehabilitated to acceptable standards by 2025. <p>Integrated and sustainable protection of natural resources:</p> <ul style="list-style-type: none"> • Wetland conservation strategy and programme to be in place by 2007.
Urban Renewal	Functional, sustainable, and attractive urban areas	<ul style="list-style-type: none"> • Normalization of urban economy areas reflected through minimal vacancy rates, high investor confidence and high demand for expansion. Quality public environment guiding, promoting and sustaining private investment and development expansion in urban economy areas. Supportive institutional capacity, commitment and approach. <p><u>By 2010 :</u></p> <ul style="list-style-type: none"> • Basic prerogatives for implementation in place: • Service delivery, security, incentives, land use support, initial catalysts. • Administrative structure in place ensuring accountability and support. • PPP's in place. • Development agency in place. <p><u>By 2015 :</u></p> <ul style="list-style-type: none"> • Committed public investment framework and programme. • Committed large-scale private investments. • Measurable and sustainable growth in urban economy areas.
ICT Infrastructure	Productive and resourceful application of ICT.	<p>World-class ICT infrastructure in support of the Gauteng “Smart Province” vision and economic growth in Ekurhuleni.</p> <ul style="list-style-type: none"> • Institutional structure to support/accommodate external ICT

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		<p>focus by 2006.</p> <ul style="list-style-type: none"> 100% Synergy and connectivity with our development partners, including government, by 2010.
4.2 ECONOMIC TRANSFORMATION		
STRATEGIC FOCUS AREA	2025 AGENDA	OUTCOMES AND MILESTONES
Economic Diversification	A diversified local economy able to meet local needs, support sustainable development and adapt to changes in accordance with global demands and shifts.	<p>Sustainable growth in a variety of local economic sectors.</p> <p><u>By 2010 :</u></p> <ul style="list-style-type: none"> A range of Government incentives to be in place. A measurable increase in “Smart Industries” [Aerospace, I.T., Logistics, Plastics, Agro-processing]. <p><u>By 2015 :</u></p> <ul style="list-style-type: none"> A measurable increase of exports into Africa.
Job Creation	Unemployment to be reduced by half by 2014 and by half again by 2025 based on the unemployment figures of 2004.	<p>Reduce unemployment</p> <ul style="list-style-type: none"> EMM Job summit to be held in 2006 50% reduction in unemployment by 2015 75% reduction in unemployment by 2025
Skills Development	A skilled community exhibiting capabilities in self-reliance, innovation and continued reskilling to meet the needs of a growing economy	<p>Improved mechanisms and programmes to impart skills:</p> <ul style="list-style-type: none"> EMM Centre of Excellence to be established by 2006. Mentoring programme for project management and technical skills to be implemented by 2007. Institute of Technology to be established by 2010. Ongoing strengthening of ties with Educational Institutions. <p>Improved Skills:</p> <ul style="list-style-type: none"> Measurable increase in the percentage of the population which is technically and scientifically

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		<p>skilled by 2015.</p> <ul style="list-style-type: none"> • Adult illiteracy wiped out by 2020.
Tourism Promotion	To promote the economy of the region, create jobs and a safe and secure environment, by establishing a tourism destination of choice.	<p>Development of tourism facilities:</p> <p><u>By 2010 :</u></p> <ul style="list-style-type: none"> • Making the most of opportunities created by the Soccer World Cup. • African Shopping Hub, Craft Market and Wine Emporium developed. • Business tourism facilities around the JIA. <p>Increased tourism:</p> <ul style="list-style-type: none"> • Ekurhuleni to be the preferred sporting/cultural/heritage destination by 2015. • Business tourism to increase by 50% by 2020.
Investment Promotion	Increased inward investment in skills and technology, property and sustainable development.	<p>Increased levels of public and private investment in all areas:</p> <p><u>By 2010 :</u></p> <ul style="list-style-type: none"> • A range of government investment incentives to be in place. • Measurable increase in effective service delivery and information dissemination through “Customer Care Centre” implementation. • CID’s in place. <p><u>From 2015 onwards:</u></p> <ul style="list-style-type: none"> • Measurable increase in investment in strategic priority areas such as the mining belt.

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Economic Transformation	An inclusive, wealth-generating economy.	<p>Greater participation in the formal economy by all sectors of society.</p> <ul style="list-style-type: none"> • Strategy leverage EMM assets to ensure BBBEE to be in place by 2007. • Enabling procurement policy to be fully implemented by 2008.
4.3 SOCIAL TRANSFORMATION		
STRATEGIC FOCUS AREA	2025 AGENDA	OUTCOMES AND MILESTONES
Poverty and Unemployment	In line with the national objective, the aim is to halve poverty in the next 10 years up to 2015, and to halve it again in the following 10 years, up to 2025.	<p>Improvement in skills levels:</p> <ul style="list-style-type: none"> • All milestones as set out under the “Focus Area: Skills Development” are relevant. <p>Reduction in unemployment:</p> <ul style="list-style-type: none"> • All milestones as set out under “Focus Area: Job Creation” are relevant. <p>Poverty relief and other social programmes:</p> <ul style="list-style-type: none"> • Integration to be achieved between all initiatives/programmes and institutions driving such initiatives/programmes, by 2010.
Human Settlements.	All people in Ekurhuleni to be housed in integrated and functional sustainable human settlements.	<ul style="list-style-type: none"> • Upgrading/formalization of all informal settlements, including the eradication of the basic services backlog, to be achieved by 2012. • Housing backlog [including the formalization of backyard shacks] to be eradicated by 2015. • Social amenities backlog to be eradicated by 2020.
Healthcare and Facilities	Equitable health care and facilities across all sectors of society—substantially reduced rates of poverty—related disease.	<ul style="list-style-type: none"> • Functional partnership achieved and maintained with all social institutions in EMM by 2010. • Measurable increase in community-based HIV/Aids programmes by 2010. • Acceptable access to Primary Health Care and social development services by all communities [including rural communities] by 2015. • 50% reduction in maternal and child-under-five

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		<p>mortality rates by 2015.</p> <ul style="list-style-type: none"> • Environmental pollution levels to be in line with internationally-accepted standards by 2015. • Extending operating hours to 24 hours in all health centres and large clinics by 2025
Safety and Security	A high level of safety and security – a drastically reduced crime rate.	<p><u>By 2010:</u></p> <ul style="list-style-type: none"> • Pro-active management of disasters in accordance with an integrated and comprehensive Disaster Management Plan. • Elimination of civil disobedience by means of various community-based programmes and drives. <p><u>By 2015:</u></p> <ul style="list-style-type: none"> • 50% Reduction in serious and violent crimes. • 50% Reduction in fatalities and injuries due to occupational, domestic and road accidents.
Sports and Recreational Facilities	Ekurhuleni to have world-class parks, sports and recreational facilities.	<p><u>By 2010:</u></p> <ul style="list-style-type: none"> • Upgrading of 4 stadiums in Ekurhuleni to world-class level. <p><u>By 2015:</u></p> <ul style="list-style-type: none"> • Reclamation of our African identity through arts, culture and heritage. <p><u>By 2025:</u></p> <ul style="list-style-type: none"> • Equitable provision of facilities to all communities in Ekurhuleni. • 100% of the Metro-wide open space system to be developed and maintained.

4.4 Municipal Transformation and Institutional Development

The EMM will adhere to the following general principles:

- Sound political and management leadership is required to steer the EMM towards fulfilling its vision, mission and the desired GDS outcomes;
- Better service delivery through the principles of Batho Pele will underpin all activities of the EMM;
- Corporate discipline is a commitment and EMM's senior management shall adhere to behavior that is universally recognised and accepted to be correct and proper;
- Transparency is the ease with which an outsider is able to make meaningful analyses of the EMM's actions, its economic fundamentals and the non financial aspects pertinent to

the organisation. It reflects whether or not stakeholders are able to obtain a true picture of what is happening within the organisation;

- Independence is the extent to which mechanisms have been put in place to minimise or avoid potential conflicts of interest that may exist;
- Individuals or groups in the EMM, who make decisions and take action on specific issues, need to be accountable for their decisions and actions. Mechanisms must exist and be effective to allow for accountability;
- With regard to management, responsibility pertains to behaviour that allows for corrective action and for penalising mismanagement; and
- The systems that exist within the EMM must exhibit fairness and take into account all those that have an interest in Ekurhuleni and its future. The rights of various groups have to be acknowledged, respected and balanced against each other.

4.5 Addendum to the Ekurhuleni GDS 2025 following the Growth and Development Summit 2006

The following reflect resolutions taken during the EMM Growth and Development Summit held on 1 and 2 September 2006. These have been translated into an addendum to the EGDS 2025.

4.5.1 Functional Sustainable Human Settlements

- ❖ Implement energy-efficient housing solutions;
- ❖ EMM will pro-actively acquire / allocate land for sustainable human settlements;
- ❖ Private sector and SMME involvement will be actively promoted and LED initiatives will be incorporated into the housing programme;
- ❖ Promote community involvement in local environmental rehabilitation and management;
- ❖ Promote community involvement in crime prevention;
- ❖ Integrate the HIV and Aids strategy with the housing programme;
- ❖ Promote the conversion and / or rehabilitation of existing developments, especially in the inner city areas, for housing (Brownfields development);
- ❖ Promote housing development close to the core areas of Ekurhuleni;
- ❖ Promote and support aesthetically innovative housing developments;
- ❖ Promote integrated and holistic approaches to the creation of settlements and eliminate red tape;
- ❖ Eradicate water and sanitation backlog by 2014; and
- ❖ EMM, in conjunction with Provincial and National Government, will attempt to raise bridging finance to compliment its own funding for achieving targets.

4.5.2 SANRAL Gauteng Freeway Improvement Scheme

- ❖ Upgrade the N12 between Gillooly's and Daveyton;
- ❖ Upgrade the N17 between Springs and Ermelo;

- ❖ Upgrade the N3 between Alberton and the Buccleuch interchange – planning to commence in 2008 / 9;
- ❖ Construct the PWV14 between the O R Tambo International Airport and the M2 in Germiston – project to be completed in 2012 /13;
- ❖ Roll out an Intelligent Transport System (ITS) to the N12 and N17; and
- ❖ Develop an overload control centre in line with Provincial strategy.

4.5.3 Provincial Perspective

- ❖ Improve access to townships (Gauteng 20 Priority Townships Programme);
- ❖ Address the road requirements around OR Tambo International Airport in the light of the new ACSA Masterplan; and
- ❖ Establish a Joint Transport Management Agency with Joburg and Tshwane Metro's and the Province.

4.5.4 Municipal Roads and Stormwater Networks

- ❖ 20 Priority Townships Programme will be completed by March 2009;
- ❖ Current backlog of tertiary roads to be eradicated by 2012;
- ❖ Current stormwater backlog to be eradicated by 2014; and
- ❖ EMM will lobby for the upgrading of the R21 and R24 before 2010.

4.5.5 Gautrain

- ❖ O R Tambo International Airport / Sandton link will be completed by June 2010; and
- ❖ The feeder and distribution system will be rolled out in time for 2010.

4.5.6 SARCC / Metrorail / Province

- ❖ Upgrade Rhodesfield station to integrate with Gautrain;
- ❖ Upgrade the following rail corridors within EMM:
 - Olifantsfontein / Germiston /Johannesburg – priority
 - Daveyton / Germiston – priority
 - Kwesine / Germiston – next phase;
- ❖ Upgrade rolling stock – explore local manufacturing options;
- ❖ Re-introduce the railway police to combat crime on trains;
- ❖ EMM will lobby for extensions to the current commuter rail network to include:
 - The southern parts of Katlehong and Palm Ridge
 - Etwatwa and
 - Kwatsaduza; and
- ❖ Achieve modal integration at all stations by 2010.

4.5.7 Taxi Re-capitalisation and Taxi's

- ❖ Taxi ranks will be upgraded as follows:
 - 35 seater taxis will be catered for

- People with disabilities will be provided for and
- Security will be provided for;
- ❖ Shelters will be constructed at bus stops and taxi lay-byes;
- ❖ Skills development initiatives within the taxi industry will be supported;
and
- ❖ Community safety aspects related to the taxi industry will be addressed.

4.5.8 Municipal Bus Services

- ❖ The municipal bus services will be extended – the current bus plan must be implemented and the old fleet must be replaced.

4.5.9 Soccer World Cup 2010

- ❖ Build non-motorised transport facilities in Tembisa and Vosloorus; and
- ❖ Build model transfer at major stations.

4.5.10 Freight

- ❖ Support the development of a new cargo terminal at O.R.Tambo International Airport;
- ❖ Support the development of an IDZ linked to the airport; and
- ❖ Support the development of a link between City Deep and the Rand Airport.

The GDS 2025 and its Addendum is attached as Annexure A and A1 in the CD Provided.

The agenda set above is to be achieved by the year 2025 and informs all medium term planning of EMM. Specific outcomes and milestones are set for each of the eighteen different focus areas. Through the IDP, these outcomes and milestones are broken down into measurable performance targets and performance indicators. These are reflected in the different operational strategies of all the various departments. **Details of departmental Plans are contained on the CD provided.**

EMM is in the process to review the GDS 2025. This will take place in line with the reviewed Provincial GDS that is currently being finalized.

5. INSTITUTIONAL STRUCTURE

The Ekurhuleni Metropolitan Municipality (EMM) has implemented a Mayoral Executive and Ward Participatory System of local governance which ensures that governance is taken right down to community level and that all citizens within the metropolis are represented in decision-making. This increases residents' sense of belonging, accountability and empowerment and actively involves them in all issues dealt with by the metropolitan municipality.

The municipality comprises 175 councillors, of both elected (88 ward representatives) and proportional (87 Councillors) representation. Each of the 88 ward councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level.

Ward councillors play a central role in the communication process between the communities they represent and the Council, reporting back regularly through ward meetings and assisting the community in identifying needs and priority areas of development which feed into the municipality's planning processes.

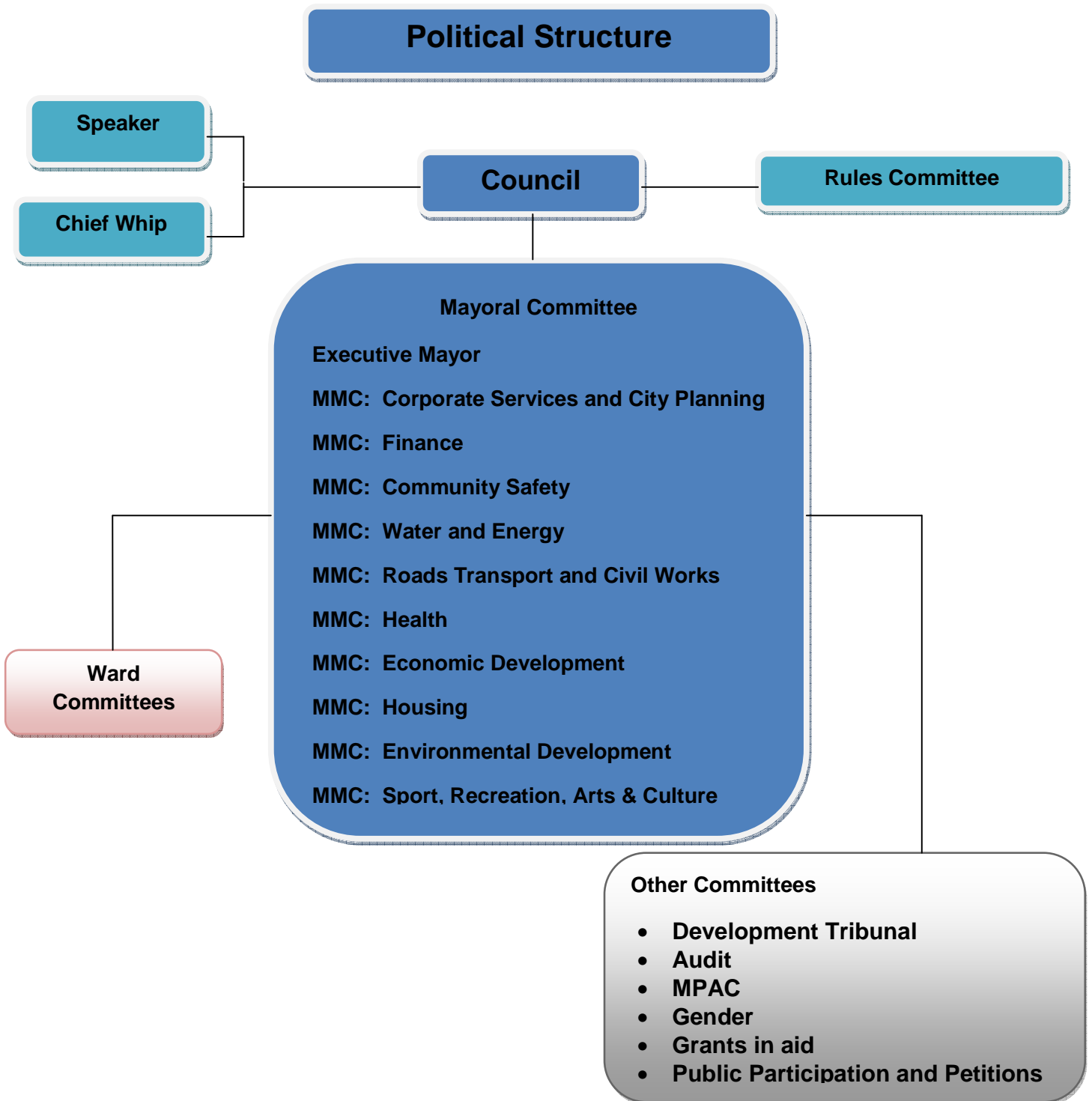
The Executive Mayor heads up a team of 13 full-time councillors comprising herself, a Mayoral Committee of 10, a Speaker and a Chief Whip of Council.

Political oversight of the administration is ensured via Section 80 committees in control of the different portfolios in Council, which comprise:

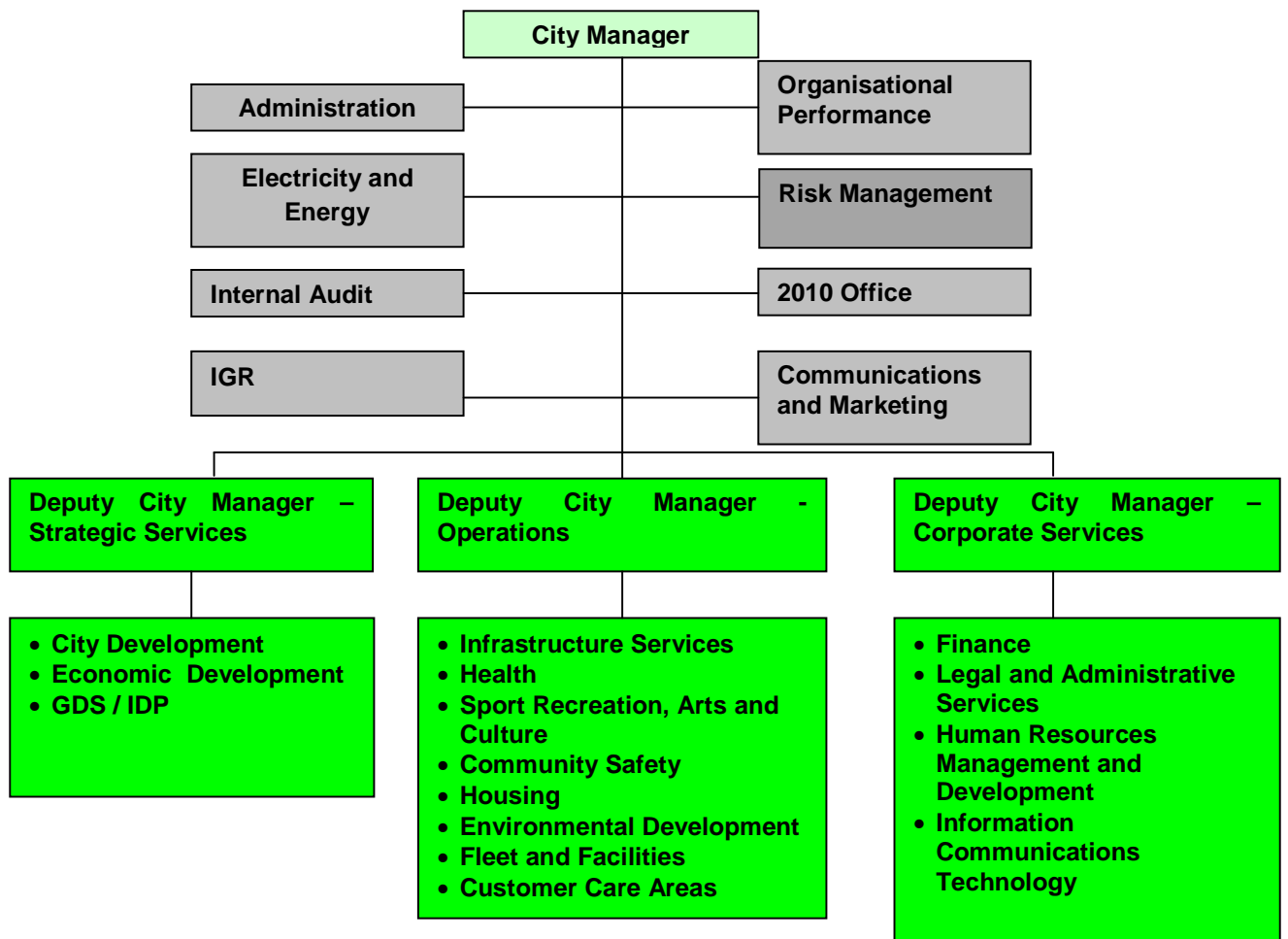
- Corporate Services and City Planning;
- Community Safety;
- Roads Transport and Civil Works;
- Water and Energy
- Health
- Economic Development;
- Finance;
- Sport, Recreation, Arts & Culture;
- Environmental Development; and
- Housing.

Councillors also serve on the Development Tribunal where political oversight is ensured over the physical development of the Metropolitan area.

The Political Structure is outlined below:



The above political structure is supported by the following organisational structure:



6 REVIEWED SERVICE DELIVERY MODEL

The Business Plan for Customer Care Centre (CCC) was officially approved in November 2007. This resulted in twenty Customer Care Areas (CCA's) been established in all areas within Ekurhuleni.

The CCCs have been operational for over two years and it is generally accepted that it has improved service delivery within Ekurhuleni. However, the CCC concept has been reviewed and improved to fulfil the mandate of government, which is to bring government services to communities and to provide ultimately a "one stop-shop" for all government services.

Sufficient practical experience has now been gained to put forward proposals to further enhance the original concept i.e. Customer Care Service Delivery Model (CCSDM) and to make it more effective, efficient and practical.

During the previous two years of the implementation of the CCSDM, the CC has become the face of EMM in terms of servicing customers and as a result customers now demand responses and information from CC offices.

This results in the CCSDM not been able to fully deliver on its mandate to service all communities' equitability and providing a "one-stop shop" for service delivery.

The creation of EMM Service through the establishment of CCA will ensure that there is a "one-stop shop" for customers. This will reduce customers' frustrations of being sent from pillar to post. This will also allow immediate interventions to correct/ intervene on any service delivery matter.

The CCA Managers will ensure that community's queries and/or requests are addressed timeously and in terms of the Batho Pele Principles.

The Reviewed, approved Service delivery Model is attached as Annexure "B" and is contained on the CD provided.

7. REVIEW OF INTEGRATED DEVELOPMENT PLAN

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

- It must support and work towards achieving the Vision, Mission, Values and the Seven Strategic Priorities of EMM.
- Working towards the achievement of the EMM GDS 2025 Outcomes and Milestones (Strategic Objectives).

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- Focus on service delivery in terms of the eradication of backlogs and the maintenance of infrastructure.
- Address community priorities (needs) as identified in the IDP as well as newly identified priorities.
- Addressing the deliverables set at the Mayoral Lekgotla.
- Provincial plans and programmes applicable to the specific department. Budget allocations by the respective provincial sector departments to these projects should also be reflected as far as possible.

The review of the IDP focused on formulating measurable performance indicators and targets set for the 5, 3 and 1 year. These targets informed the multiyear budgets prepared as well as the SDBIP.

In addition to the above, Departments were requested to ensure that the numbers of the various wards, in which projects identified in the budget will be implemented, are correct as this has been an ongoing problem over the last number of years.

There are also different categories of wards in terms of level of development. The categorising of wards is as follows:

- Underdeveloped Wards
- Developed, Residential
- Developed, Industrial/Commercial/CBD
- Mixed Wards
- Multi-Wards

Mixed wards are wards where there are combinations of underdeveloped areas, residential, commercial or CBD areas.

6.1 Community Participation

Community participation focused on a one day workshop in each of the twenty different Customer Care Areas which took place and had the following approach:

A. REVIEW PROCESS

The process will entail a full one day workshop per CCC which will focus around the following:

1. Consider content of Departmental Service Delivery Plans and Projects (IDP) per CCA area, per ward. (All wards in the CCA area to be part of the workshop)
 - a) Capital projects per CCA and per ward
 - b) Maintenance projects per CCC and per ward
2. CBP ward plan
 - a) IDP Capital projects.

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- b) 5 prioritized objectives.
- c) Discretionary Funding project:
 - 08/09 – feedback on implementation
 - 09/10 – planning and implementation
 - 11/12 – project planning

The purpose of the process is inter alia to sensitize departments to visibly reflect ward priorities in departmental plans and budgets and indicate assistance and support with CBP discretionary funds projects.

A1. DEPARTMENTAL SERVICE DELIVERY PLANS AND PROJECTS FEEDBACK PER CCC AREA

- a) Departments to provide feedback on departmental plans and projects per CCC area, per ward (capital and maintenance).

A.2 CBP WARD PLAN

a) **IDP Capital projects**

The objective is to determine the three top capital priorities per ward. To do this consideration must be given to:

- i. Current financial year capital projects;
- ii. Long list of ward needs as contained in IDP.
- iii. List of prioritized ward needs as per gap analysis contained in the annexure, and;
- iv. Linkage between the above mentioned and the 5 prioritized objectives in the CBP plan.

b) **5 Prioritized objectives**

- i. Reaffirmation/ Refinement and possible amendments where required to the 5 prioritized objectives per ward plan.
- ii. Ensure that amendments and refinements are captured.
- iii. Linkage to a) above.

c) **Discretionary funding projects**

- 08/09 – feedback on implementation.
- 09/10 projects.

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10/11 projects.

The objective is to evaluate completion and non completion of the discretionary fund for 08/09 and to plan for the implementation of the discretionary funds in the current financial year and further to identify projects for the discretionary funds for the 2010/2011 financial year.

- i. Once projects have been identified, the process on procedure for developing the projects and accessing funds as attached must be followed.
- ii. Each project must be captured in a project schedule
- iii. Discretionary fund projects should not take over existing services and must be once off's only, as far as possible.
- iv. Costing of the projects to be clearly developed, calculated and stipulated.

The above process had various roleplayers that included the following:

- The Ward Councillors
- CCA Managers
- Ward Committee Members
- Representatives from Social Groups within the ward
- Officials from the EMM service delivery departments
- Community Development Workers and
- Public Participation Officials

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Through the review process at referred to above, the following is a summary of the highest priorities identified by the participants through the above process:

Ward Nr	Ward Councillor	IDP Priorities
1	CLR. LYDIA MAFANGA	<ul style="list-style-type: none"> • Tswelopele Ext 8 – Bridge • Clayville Ext 21, 23, 33 and 26 high mast lights • Development of soccer field at Hospital View
2	CLR. GREG MALEBO	<ul style="list-style-type: none"> • New Tswelopele clinic in Winnie Mandela • Housing at Winnie Mandela. • Bridge at Moriteng/Moshemang
3	CLR. DORAH SEBILOANE	<ul style="list-style-type: none"> • Roads and storm water • Economic Development • Lights - high mast
4	CLR. LP MOHLAPAMASWI	<ul style="list-style-type: none"> • High Mast lights • Storm water drainages must be installed • Upgrading of Sethoga Hostel
5	CLR. HLATSHWAYO	<ul style="list-style-type: none"> • Roads and storm water • Housing development • Development of sports facilities
6	CLR. Z MPONGOSE	<ul style="list-style-type: none"> • Building of stalls around Tembisa Station • Improvement of Waste Removal • Mkhatini Clinic must operate for 24 hours
7	CLR. TA SEBOLA	<ul style="list-style-type: none"> • Roads and Storm water • Speed humps within small streets • Maintenance of sanitation
8	CLR. MNGOMEZULU	<ul style="list-style-type: none"> • Roads and storm water • Speed humps • Housing development at Madelakufa 2
9	CLR. E TEKANE	<ul style="list-style-type: none"> • WATER- Installation of water meters at erf 473 Sophiatown Difateng[211 houses],Relocation of water meters from backyard toilets at Difateng raven street • ELECTRICITY- High mast lights at Teanong ext 05, Motsu ext 05, Mpho ext andLlekaneng ext • ROADS -completion of untarred roads at Motheong ext

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		opposite Mehlaeng stadium,difateng erf 09 and erf 473 Sophiatown Difateng
10	CLR. T SEHWANA	<ul style="list-style-type: none"> • Satellite Clinic in Informal Settlement • Investigate the solid waste problems in the ward and furnish a report • Upgrade Maintenance of streetlights
11	CLR. B.P ZITHA	<ul style="list-style-type: none"> • Waste Removal • Clinic to operate 24 hours • Multipurpose centre
12	CLR. T MGAWENI	<ul style="list-style-type: none"> • Building of a new clinic in Phomolong • Upgrade storm water drainage in Phomolong • Erect high mast lights
13	CLR. B J JORDAAN	<ul style="list-style-type: none"> • Concrete palisade to be erected at Spoorweg Road in Kempton Park West and Chlookop Road Kempton West • Berg River Drive reconstruction • High mast lighting in Phomolong and also streetlights
14	CLR. A D RAMATJE	<ul style="list-style-type: none"> • Remove street lights and replace them with high mast lights • Roads and storm water • Extension of Thafeni Clinic
15	CLR. J ROOS	<ul style="list-style-type: none"> • Storm water management Koppie and Tugela Streets Glen Marais. • Road resurfacing - Quinine Street, Lechwe Road and Lesley Street
16	CLR. J HENDRIKS	<ul style="list-style-type: none"> • Slipways corner CR Swart Drive and Rienert Avenue. • Upgrading intersections joining up with Pretoria Road. • Extension and upgrading of the Kempton park Clinic
17	CLR. SAULS	<ul style="list-style-type: none"> • Roads need major repair and/or resurfacing with suitable sidewalks for pedestrians • General maintenance of road signs and markings • General maintenance of visible, well-positioned Street signs • Maintenance of stolen manhole covers and cleaning of storm water drains
18	CLR. ANTICEVICH	<ul style="list-style-type: none"> • Electricity • Street and high mast lighting • Roads (new/resurfacing)

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19	CLR. B NAYLOR	<ul style="list-style-type: none"> • Road resurfacing - 4th grade roads in Edenvale are between 30 to 40 years old, and have never been resurfaced over their lifespan. Every suburb has roads that are crumbling, so cannot be specific. • Water - continuous pipes or valves burst. At the moment, Terrace Road is having a spate of bursts. • Electricity, as per previous lists - some refurbishment is taking place at the moment, but will not solve all our problems.
20	CLR. M.O CLARKE	<ul style="list-style-type: none"> • Side walk upgrading and paving • Nettleton/Nicol bridge and road to be upgraded • Bill Steward Nature reserve fencing.
21	CLR. T.L CAMPBELL	<ul style="list-style-type: none"> • One community Centre for Boneskans Park at Cnr. Shamrock & Beacon Roads to include: Clinic b. Library c. Pay point d. Community Hall • Upgrading of Rietfontein Road, all sidewalks to be re-laid and the re-painting of parking bays
22	CLR. J.P LOUW	<ul style="list-style-type: none"> • Dyna Tennis Club – main entrance of the tennis club needs to be paved – Cnr. Mariana and Dyna Road • Resurfacing of Paul Smit, 14th Avenue, Trichardt Roads
23	CLR. A DU PLESSIS	<ul style="list-style-type: none"> • Storm water drainage upgrade Atlasville through Blaauwpan • Traffic lights to be installed Mimosa and Stokroos Streets
24	CLR.B ROBINSON	<ul style="list-style-type: none"> • Chief Albert Luthuli Park - Electricity for all the houses (Ext. 4) • Clinic, taxi stand, maintenance of all roads,streetlights/street names
25	CLR. J MOFOKENG	<ul style="list-style-type: none"> • Building of a New Police Station • Waste Removal • Building of a new clinic
26	CLR. M ZWANE	<ul style="list-style-type: none"> • Extension of Barcelona clinic • Upgrade street lighting Ext 34 • Require a Multipurpose centre, Library Hall etc
27	CLR.G KRIEK	<ul style="list-style-type: none"> • One aspect that does need more maintenance is the basic infrastructure, namely the provision of electricity, water and sewerage. • With the increase in densification through townhouse development and sub-divisions, added pressure is being placed on these services and a plan needs to be

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		<p>implemented to ensure that water pressure remains at acceptable levels and that the electricity supply is secured.</p> <ul style="list-style-type: none"> • Road maintenance remains essential to ensure that the cost of repair in the long term is kept as low as possible
28	CLR S GROLMAN	<ul style="list-style-type: none"> • Stormwater problems across the ward • Collapsed sewerage system • Illegal dumping even of building rubble
29	CLR E MOTARA	<ul style="list-style-type: none"> • Speed humps: In Dube Street: between Mdengentongol and Mabuya Street Behind Solomon Motlana School: Cor. Mabuya and Dlomo Between Khan Crescent and Soma Street • Stormwater: Cor. Mofolo and Baloyi • High mast lights: Hostel, outside FS Mamkele High School – corner Dube and Mdgasi
30	CLR.J MASHININI	<ul style="list-style-type: none"> • All streets in Wattville have potholes and some of the streets need to be tarred • There is storm water drainage which is not attended to at Nobhadula and Mamkeli Streets. Tamboville streets, namely; Abe Nyalunga, Riba and WCRC
31	CLR K NOONAN	<ul style="list-style-type: none"> • Storm water management • Roads and Civil works: Maintenance on roads to be done: All Dalpark ext in Ward 31, Minnebron, Withok, Tamboville
32	CLR. M.M. MASON	<ul style="list-style-type: none"> • Storm water drains must be cleared • The Boksburg Stadium requires urgent maintenance • Boksburg Tennis Club requires urgent maintenance
33	CLR. P.M MBHEM	<ul style="list-style-type: none"> • Housing development • Clinic – the community travels long distances to access a clinic e.g. Reiger Park Clinic • Schools – the whole Ward does not have a school (primary and secondary)
34	CLR. D.S SCHOLTZ	<ul style="list-style-type: none"> • Replace old underground water pipes • Upgrade electrical reticulation boxes in Streets • Install prepaid meter boxes
35	CLR. M XAKAMBANA	<ul style="list-style-type: none"> • Good Hope Housing Development

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		<ul style="list-style-type: none"> • Electricity for every stand in Dukatole (Ext. 8 & Ext. 9) • Grading of main entrances to informal settlements
36	CLR. C.F. PATTERSON	<ul style="list-style-type: none"> • Germiston Central CBD unoccupied buildings repair and maintenance, roads CBD repair and resurfacing. • Delville: <ul style="list-style-type: none"> ○ Sports grounds maintenance ○ Tennis courts and out buildings (toilets unuseable) ○ Parks un kept in the immediate vicinity of sports grounds • Victoria Lake (Germiston Lake) <ul style="list-style-type: none"> ○ Reeds are overgrown on lake ○ Reeds blocking overflow of water
37	CLR. B.T HAIPEL	<ul style="list-style-type: none"> • Storm Water SARS Building • Du Plessis Taxi Rank • Building of new Primary Schools
38	CLR. M.A. ANSETT	<ul style="list-style-type: none"> • Resurfacing of roads (Brackenhurst & Brackendowns) • Storm water drainage (New Market) • Storm drainage (Noord-gesig Street)
39	CLR. R. RETIEF	<ul style="list-style-type: none"> • Upgrading of Library and Clinic in Elsburg • Cleaning of Weideman Dam • Upgrading of the Aging Infrastructure (Elsburg) including water reticulation system, sidewalks
40	CLR. M.M. MALULEKE	<ul style="list-style-type: none"> • Roads – Roodekop Extension 31 • Storm water, Sewer and Water network –Tshongweni, Nhlapho, Motloug and Admin. Block
41	CLR. B.M NIKANI	<ul style="list-style-type: none"> • Four roads to be tarred in Rondebult Ext. 2 • Sports facilities for the Ward as well as a Community Hall • Housing
42	CLR. C. BENNETTS	<ul style="list-style-type: none"> • Ramaphosa – no street lights Elsburg road • Upgrade traffic control • Pavements in large areas
43	CLR. T.G PHALENG	<ul style="list-style-type: none"> • Housing): Rooikraal Transit Camp, Villa Liza Ext. 2 and lindelani • Street lighting Windmill Park, Dawn Park & Villa Liza • Roads Community Hall & Social & Recreational facilities

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44	CLR. P.M.M BODIBA	<ul style="list-style-type: none"> • TARRING- Theko (Ext 13),Incedo (Ext 16) • Satellite Library/Mobile- Behind Tshwelopele Clinic Ext 5 • Storm water drainage
45	CLR. E.L THEKISO	<ul style="list-style-type: none"> • Health and family skill centre • Paving sidewalks • Streets lights
46	CLR. N.S NCIZA	<ul style="list-style-type: none"> • Multi Purpose Centre • Family Skills Centre • SMME Incubation Centre
47	CLR. M.H SIBOZA	<ul style="list-style-type: none"> • Clinic services □these need to be provided through a mobile clinic • Vumbuka informal settlement needs to be developed • Tarring of Streets and storm water management
48	CLR. K.F. MODISA-MAHLOMA	<ul style="list-style-type: none"> • Housing proclaim Moleleki Ext 4 as a township • Sport field to be finalized to avoid Illegal dumping • Storm water drainage
49	CLR. V.A. MOSHIA	<ul style="list-style-type: none"> • Stormwater challenges:□ Makula Section from Stand No. 194 to 198 properties not accessible when raining and houses are always flooded □ Monometsi Street in Phooko Section is 100% no storm water and houses are always flooded throughout the rainy season □ Cnr. Tlali and the newly constructed Bakoena Streets • Sewer: • Tarring of untarred streets in the ward
50	CLR. E.N. NDIMA	<ul style="list-style-type: none"> • Tarring of roads • Storm water drainage • Sewer problems
51	CLR. M.S. DLOMO	<ul style="list-style-type: none"> • Erection of the irrigation system • Installation/erection of fencing for the parks • Erection of trading stalls for selling
52	CLR. C.L. NKOSI	<ul style="list-style-type: none"> • Development of intermodal Taxi Rank next to Natal Spruit Hospital at Katlehong (Joburg Taxi Rank) • Provide fencing (wire) to all RDP houses at Mandela Section and Mpilisweni Section to clearly demarcate one yard from another. • Provide concrete chairs and tables to 3 parks and

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		playing facilities for kids.
53	CLR. W.J. JARVIS	<ul style="list-style-type: none"> • Multipurpose Centre for the Ward to include a Clinic, Library and Recreation facilities • Electrification: Housing Project • Sports & Recreation facilities (Thinasonke, Brackendowns, Mayberry Park & Albertsdal)
54	CLR. N.M. MABUZA	<ul style="list-style-type: none"> • Development of intermodal Taxi Rank next to Natal Spruit Hospital at Katlehong (Joburg Taxi Rank) • Provide fencing (wire) to all RDP houses at Mandela Section and Mphilisweni Section to clearly demarcate one yard from another. • Provide concrete chairs and tables to 3 parks and playing facilities for kids.
55	CLR. E.S. MASILO	<ul style="list-style-type: none"> • Tarring of roads, speed humps • Cleaning of storm water drainage • Extending of building of the clinic and maintenance
56	CLR. R.W. MSIBI	<ul style="list-style-type: none"> • Pre-paid meters for indigents • Roads and Storm water drainage Mabuya street next to retention dam – houses are sinking. Corner Sekonyela and Pitso streets – storm water problem is not yet solved. Tobatse-Tshele and Maphale streets – storm water problem not solved either Matsimela streets – to angus station opposite Sam Ntuli stadium and indoor centre – storm water is needed. Maintenance of corner Ntuli and Zihlangu streets – storm water drainage, as it can't take running water on this road any more Storm water problem corner Nkaki and Tshabalala streets Storm water problem at Cnr Matla and Makgoro Street • Pavement of circles and sidewalks Khumalo road has been paved with a few sidewalks outstanding. Circles in the following streets are not yet paved: Xaba street and Mabuya, Pitso and Mkwai streets
57	CLR. T.G. NKETLE	<ul style="list-style-type: none"> • Storm water drainage (whole Ward) • Sewerage (whole Ward) • Tarred Road (whole Ward)
58	CLR. G.M. BETA	<ul style="list-style-type: none"> • High Mast lights in Kwenele Section

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		<ul style="list-style-type: none"> • Tarring and maintenance of roads: Palm Ridge Ext 4 Thokoza Ext 5 Kwenele Section • Paving at: Mohlodi Primary School Nqubela Primary School Thabontsako Secondary School Passages between RDP houses at Thokoza Ext 5 Passages between RDP houses Palm Ridge Ext 4
59	CLR. M.J. NDEBELE	<ul style="list-style-type: none"> • Storm water drainage all streets • Street lights or high mast lights – Dikole Ext. 1 • Tarring of roads
60	CLR. L.J. THABA	<ul style="list-style-type: none"> • Tarring of roads • Storm water drain • Sewer – Moleleki House 1446 & 1447
61	CLR. M.H. NKABI	<ul style="list-style-type: none"> • Roads – Mphfumulo Street from Ext. 7 to Ext. 8, Nhlanguano Ext. 2 and Verbena Crescent (Greenfield) • Sewer from corner K91 and Umqandani up to Aloe Street, Sausage to Aloe (Greenfield) • Storm water drainage at Umbrella Street (Greenfield)
62	CLR. G. SIBEKO	<ul style="list-style-type: none"> • Roads from house: □ 6958 to 14579 Ext. 2 & 3 □ 14533 to 14693 Ext. 3 □ 15350 to 15229 Ext. 6 □ Ucefuzza Street Magagula Heights • Storm water pipes all streets • High mass lights all areas in the Wards
63	CLR. M.A. THIBEDI	<ul style="list-style-type: none"> • The building of Library at Vosloorus Ext 20 • Construction of the tertiary roads Mzwandile, Mesa in Vosloorus ext 20 Makhutha and Maphanga • Construction of Multipurpose Sports Complex and Soccer field at 2192 Katlehong South
64	CLR. F.P. BOOI	<ul style="list-style-type: none"> • Need for primary school at Ext. 28 • Completing Moagi street up to Tambokiesfontein Cemetery • Roads; storm water & walkways construction
65	CLR.G BALEKA	<ul style="list-style-type: none"> • Housing – Ext 10, Outstanding houses at ext 30 and 31 • Roads to be tarred at :Extension10: Sikelele,Saule,Maimela, Nzimande ,Phethu , Mbatha,

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		<p>Mbathane streets. Extension 31: Mkhonto we Sizwe, Noto and Tshipi</p> <ul style="list-style-type: none"> • Storm Water Extension 10 and 36 Tsipi-Noto, Sithole, Sam Ntuli, Thembisile Extension 7 All roads need maintenance and storm water drains
66	CLR.P NKUNJANA	<ul style="list-style-type: none"> • Community park Ext 24 • Light and High mast • Storm water- Madikizela Street Extension 9
67	CLR.M RAPOLILE	<ul style="list-style-type: none"> • Community Centres at Slovopark and Thulani • Clinic – New clinic at Slovo Park and Extension of Etwatwa West Clinic • Storm Water at Koppie Motebang- next to the engine garage at Etwatwa West
68	CLR N BADELA	<ul style="list-style-type: none"> • Relocate mid block water Daveyton • Upgrade Gumbi Cemetery Reconstruction of sidewalks • Installation of speed humps to all new roads
69	CLR V CHAUKE	<ul style="list-style-type: none"> • Storm water drain in Kheswa Street must be built • Rehabilitation of the Quarry • Maintenance and upgrading of Recreational grounds • Houses in Hlokozi, Bhengu, and Jobe Streets are cracking because of the foundation that was built on the dolomite. • Tarring of Khanyile, Ndzundza and Mazibuko Streets
70	CLR T DITSHEGO	<ul style="list-style-type: none"> • Roads (New) Tarred roads at following streets- Mbonani Street, Tsitso Str, Rolong Str, Wushe Str, Dladla Str, Noge Str • Resurfacing of roads- Tshezi Street • Storm water management is urgent
71	CLR M KGOPA	<ul style="list-style-type: none"> • Resurface Sihoko and Ngomane Streets potholes developing the sidewalks of Phaswane, Dungeni, Mathewson and Ngomane • Sport facilities (upgrading and maintenance) new ground at Yende open space ground to be maintained at Sigalo Ground and Ext 2 Ground next to Unity Secondary CSchool, Vista University Ground • Storm Water Management - Dungeni Street between Yende and Ramza Street, Xhosa Street and Dotwana Street

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72	CLR J NXUMALO	<ul style="list-style-type: none"> • Revamp the Bakerton Hall to accommodate gymnasium • Housing development and upgrading of informal housing: Gugulethu/Everest, Payneville ext 3 Gabon-Reallocation Modder Ext East skompass • There is a need for public and affordable transport in all area e.g. Metro buses and trains
73	CLR T MOKOENA	<ul style="list-style-type: none"> • Tarring of roads in Kingsway • Grading of roads & sports grounds in Kingsway/Lindelani • Storm water drainages in Kingsway
74	CLR G VAN WYK	<ul style="list-style-type: none"> • Completion of Ekurhuleni housing project • Street lights more Mohlala and Morapedi corner • Street Lights and High Mast Lighting: • Hebedi Str - Kwa Thema Street, lights needed from Theo Twala to Joe Mzanane Drive High Mast Lighting in Ekurhuleni needs service • Mkhwanca Informal Settlement Old copper cable replacement
75	CLR D STONE	<ul style="list-style-type: none"> • Gravel Road at Never-Never • Satellite Police Station for Reedville • Storm Water drainage – Reedville – Impact of the rain on the road surface
76	CLR.M STEYN	<ul style="list-style-type: none"> • The provision of a clinic catering of the residents of Daggafontein Ext 1 to 4, Daggafontein informal settlement, Struisbult, Struisbult Extension, Edelweiss and N17 informal settlement near Ancor sewerage • The erection of two high mast lights in the Daggafontein informal settlement • Road widening and erection of street lights in Vogelstruisbult street from the Daggafontein informal settlement down to Zincor
77	CLR F PADI	<ul style="list-style-type: none"> • Building of houses e.g 621 & 433 Scheme • Building of one primary school in Barcelona Ext 2 • Road Transport and Civil Works
78	CLR.M KWELEMTINI (Passed away)	<ul style="list-style-type: none"> • Recycling plant for bottles, plastics and paper. • Road Construction o Mnareng, Mkhabela, Mcebi, Moepye, Kodisang, Lepelle / Maduna, Hlabane, Nyanyadu, Seage, Mamela & Dladla Streets • Playgrounds grading and leveling
79	CLR.T MAGAGULA	<ul style="list-style-type: none"> • Request for storm water drainage at extension 7A

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		<p>Langaville</p> <ul style="list-style-type: none"> • Cornwell phase 2 in ext 7 be completed as it was left unfinished • Road construction at Maphanya-Kawu and Mokoena
80	CLR.D MLAMBO	<ul style="list-style-type: none"> • Resurfacing Ndlovu and Kgaswane and Marule • Multipurpose centre • Speed Humps – Zwane, Ncwati Ext 6
81	CLR NDITHA	<ul style="list-style-type: none"> • Roads: • Electricity • Water
82	CLR.T SAUL	<ul style="list-style-type: none"> • Roads • Storm water Drainage • Housing
83	CLR L THEMBEKWAYO	<ul style="list-style-type: none"> • Parks • Roads and Storm water • Street infrastructure
84	CLR A MASHIGO	<ul style="list-style-type: none"> • Tarring of Roads • Health-Clinic · Between Ext 17 and 19 Tsakane • Electricity – High Mast Lights · Ext 19 and 17 Tsakane
85	CLR A MNGUNI	<ul style="list-style-type: none"> • Tarring of roads • Erection of street lights • Sidewalks and storm water drainage
86	CLR T MBONANI	<ul style="list-style-type: none"> • Tarring of Cyril Ramaphosa, Lethukethula and freedom Street • Storm Water drainage at Cyril Ramaphosa, Lethukula freedom street • Erection of high mast lights ext 1 Masechaba proper, Bluegumview Ext 2
87	CLR T MABENA	<ul style="list-style-type: none"> • Paving of Walk Ways • Electricity • Traffic Lights at main streets
88	CLR J CERONIO	<ul style="list-style-type: none"> • Storm water problems – ext 2 Machaba – houses in wetland. • Prioritized roads for tarring • Robots at bridge to Alra Park

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The following is the schedule of workshops that took place:

<u>Date of Meeting</u>	<u>Customer Care Centre</u>
<p>2 November 2009</p> <p><u>Venue</u></p> <p>Tokoza Youth Center c/o Khumalo & Mabusa str</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Tokoza (Ward 52, 54, 56, 57, 58)</u></p> <p>Amanda van Zyl</p> <p>(011) 999 - 2796</p>
<p>3 November 2009</p> <p><u>Venue</u></p> <p>Council Chamber Alberton Civic Center</p> <p><u>Time</u></p> <p>14:00 – 19:00</p>	<p><u>Alberton (Wards 37, 38, 53)</u></p> <p>Clive Dunstan</p> <p>(011) 999 - 2643</p>
<p>4 November 2009</p> <p><u>Venue</u></p> <p>Olifantsfontein Community Hall</p> <p><u>Time</u></p> <p>09: 00 – 19:00</p>	<p><u>Tembisa 2 (Wards 1, 2, 3, 4, 7)</u></p> <p>Mmabatho Rantho</p> <p>(011) 999 - 4522</p>
<p>6 November 2009</p> <p><u>Venue</u></p> <p>D.H Williams Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Katlehong 1 (Wards 40, 48, 49, 50, 51, 55)</u></p> <p>Lappies de Beer</p> <p>(011) 999 - 1411</p>

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<p>9 November 2009</p> <p><u>Venue</u></p> <p>Stompie Skosana</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Daveyton (Wards 68, 69, 70, 71)</u></p> <p>Stephen Nowatha</p> <p>(011) 999 - 7375</p>
<p>11 November 2009</p> <p><u>Venue</u></p> <p>Tsakane Community Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Tsakane (Wards 82, 83, 85)</u></p> <p>Lidia Joubert</p> <p>(011) 999 - 8002</p>
<p>12 November 2009</p> <p><u>Venue</u></p> <p>Springs Civic Center Main Hall Supper Room</p> <p><u>Time</u></p> <p>15:00 – 19:00</p>	<p><u>Springs (Wards 72, 75, 76)</u></p> <p>Sakie Kekane</p> <p>(011) 999 - 8517</p>
<p>13 November 2009</p> <p><u>Venue</u></p> <p>Council Chambers Edenvale</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Edenvale (Wards 11, 12, 18, 19, 20)</u></p> <p>Lorraine Mokgatle</p> <p>(011) 999 - 3111</p>

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<p>16 November 2009</p> <p><u>Venue</u></p> <p>Rabasothe Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Tembisa 1 (Wards 5, 6, 7, 8, 9, 10, 14)</u></p> <p>Arthur Zwane</p> <p>(011) 999 - 4239</p>
<p>17 November 2009</p> <p><u>Venue</u></p> <p>Stompie Skosane Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Etwatwa (Wards 26, 65, 66, 67)</u></p> <p>Nompumelelo Phakathi</p> <p>(011) 999 - 6978</p>
<p>18 November 2009</p> <p><u>Venue</u></p> <p>Palmridge Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Katlehong 2 (Wards 59, 60, 61, 62, 63)</u></p> <p>Xolisile Tshabalala</p> <p>(011) 999 – 1520</p>
<p>19 November 2009</p> <p><u>Venue</u></p> <p>Brakpan Council Chambers 3rd floor</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Brakpan (Wards 31, 74, 73)</u></p> <p>Papa Mokebe</p> <p>(011) 999 - 8069</p>

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<p>20 November 2009</p> <p><u>Venue</u></p> <p>Civic Center Community Hall</p> <p>M.C Botha Drive</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Vosloorus (Wards 43, 44, 45, 46, 47, 64)</u></p> <p>Hennie Botha</p> <p>(011) 999 - 5742</p>
<p>23 November 2009</p> <p><u>Venue</u></p> <p>Boksburg Council Chambers</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Boksburg (Wards 22, 32, 33, 34, 42)</u></p> <p>Ace Phiri</p> <p>(011) 999 - 5533</p>
<p>24 November 2009</p> <p><u>Venue</u></p> <p>Monty Motloung Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Duduza & Nigel</u></p> <p><u>(Wards 84, 86, 87, 88)</u></p> <p>Duduza = Ndoli Mosiane</p> <p>(011) 999 – 9303</p> <p>Nigel = Thandiwe Radebe</p> <p>(011) 999 – 9187</p>
<p>25 November 2009</p> <p><u>Venue</u></p> <p>Kwa-Thema Hall</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Kwa-Thema (Wards 77, 78, 79, 80, 81)</u></p> <p>Matshidiso Phalatse</p> <p>(011) 999 – 8915</p>

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<p>27 November 2009</p> <p><u>Venue</u></p> <p>Benoni Council Chambers</p> <p><u>Time</u></p> <p>09:00 – 19:00</p>	<p><u>Benoni (Wards 24, 27, 28, 29, 30)</u></p> <p><u>Miriam Mahlangu</u></p> <p><u>(011) 999 - 7356</u></p>
<p>30 November 2009</p> <p><u>Venue</u></p> <p>Old Council Chambers Germiston</p> <p><u>Time</u></p> <p>14:00 – 19:00</p>	<p><u>Germiston (Wards 21, 35, 36, 39, 41)</u></p> <p><u>Ariel Mabelane</u></p> <p><u>(011) 999 - 0624</u></p>
<p>2 December 2009</p> <p><u>Venue</u></p> <p>Council Chambers Kempton Park</p> <p><u>Time</u></p> <p>18:00 – 22:00</p>	<p><u>Kempton Park (Wards 13, 15, 16, 17, 23, 25)</u></p> <p><u>Neli Thabatha</u></p> <p><u>(011) 921 - 2108</u></p>

8. DRAFT REVIEWED SPATIAL DEVELOPMENT FRAMEWORK

Executive Summary

The MSDF has been reviewed at a time when there has been a global economic meltdown. This has been a challenge for those living below the poverty line, the loss of employment and the exacerbation of the socio-economic situation of the marginalised, some of whom are indigent and destitute. It is they who are susceptible to vulnerabilities that appeal to state intervention the most.

It is this context of globalisation that the then Minister of Finance, Trevor Manuel made the following statement in the budget speech of 11 February 2009:

“..... If demand falls in Birmingham, factories close in Beijing. If production lines in China slow, demand for commodities from Africa dries up. The vegetables shop next to the mine closes, and the drivers of the delivery vehicles are asked to work short time, on half pay, and if the driver cannot pay his mortgage, the bank forecloses on his bond and the bank writes down in his balance sheet again.”

The recession was so dire in the United States that the state intervened (because of the failure of the unfettered/unbridled market) by bailing out financial institutions from the public coffers/purse. In our own country South Africa, the Independent Development Cooperation bailed out the motor manufacturing industry in a bid to curb job losses. Yet South Africa is a developing economy.

The obvious implication of a recession is reduced revenue for the state, including Council, and therefore the inability to fund capital projects; the delivery of much needed public services; and to maintain facilities, infrastructure and resources. It is worst for a Metro like Ekurhuleni which is located in the Gauteng Province whose economy is planned to grow at 8% by 2014 so as to cater for other provinces and cities that have no potential for growth. Ultimately there has been job losses, low economic growth as well as the inability of the state to develop sustainable livelihoods.

There has also been a challenge with availability of socio-economic data to support and guide some of the strategies developed in the MSDF as reviewed. The last census was undertaken in 2001 and the data collected and published by Statistics South Africa was used in the MSDF.

Although the initial MSDF has been conceptual, this one endeavoured to concretise the concepts at an implementation level. Therefore, issues of climate change, Agenda 21, Millennium Development Goals (MDGs), global economy which might be viewed to be abstract and conceptual, have been addressed with the intention to have them implemented.

It is anticipated that the MSDF as reviewed will go a long way to improve the welfare of the people of Ekurhuleni. Gender mainstreaming, long-term vision and strategy is the mainstay of

the MSDF. The MSDF still notes the competitive and comparative advantages of the metro being the OR Tambo airport and manufacturing industry.

The MSDF will give guidance in the context of the academic critique on the issue of wall –to-wall local spatial development frameworks (LSDFs) which were recommended for discarding in the light of the critique since Ekurhuleni is a city found within a developing economy and a developmental state. In this regard there is a need to develop a visionary yet implementable strategic MSDF. The next level of planning is detailed in the regional frameworks for which the administrative staffs have to produce guidance as to the number of planning regions. There will still be a third level of plans for key strategic local areas. These might be local spatial frameworks and/or precinct plans.

Departure Point and process

The departure point of this cycle focused on the following:

- **Incorporation of global and continental developmental protocols, as well current (policy) developments at national (National Planning Commission), and provincial (Gauteng GDS and Global City Region) levels,**
- **Technical Amendment, including the review of the urban edge,**
- **Incorporation of some of the outstanding issues from key plans**
- **Incorporation of certain sectoral studies concluded.**

Development Objectives

Following the status quo assessment of the spatial structure of the EMM and the resultant development opportunities and constraints, the following development objectives are confirmed in order to support sustainable development within EMM region.

- **to create a single, uniform identity for Ekurhuleni Metro (unicity)**
- **to optimise the comparative and competitive advantages of EMM (OR Tambo IA and manufacturing)**
- **to promote the development of a sustainable compact urban structure which optimise the utilisation of all resources – land, engineering services, transportation infrastructure, social infrastructure and ecological resources**
- **to create a sustainable and functional open space network that is accessible to the public and which:**
 - **protect, highlight and link the natural elements of EMM to form a high quality, tactile and functional living environment and movement system for fauna, flora and humans;**
 - **link-up with, and enhance the man made elements of EMM (i.e. making open spaces such as squares (nodal), the servitudes of important internal roads (linear) and other service servitudes (linear) part of the EMM open space network; and**

- include as many of the EMM public open spaces (linear-linkage/nodal-cluster) as possible;
- to optimise the job creation capacity of the formal economy in the region by promoting sectoral specialisation and by linking these activity nodes to one another
- to integrate the disadvantaged communities of the EMM into the urban fabric by way of
 - infill development on strategically located vacant land
 - promoting corridor development along the main linkages between these communities and the major concentrations of job opportunities
- to develop a well-defined system of activity nodes/areas which include retail, industrial and commercial activities, and which holds the bulk of economic activity within the metropolitan area
- to actively promote sustainable public transport by:
 - providing public transport along all the main corridors
 - promoting mixed use, high density development along the corridors
 - promoting Transit Orientated Development along the main railway infrastructure
- To establish a full range of services within convenient distance for the entire community by way of Multi Purpose Customer Care Areas (CCAs).
- Promote sustainable livelihoods development in the townships in particular by:
 - Encouraging retail development as kick start strategy.
 - Develop townships into model self sustaining neighbourhood development areas.

Guiding Principles

The following is a summary of the main components which, in combination represents an approach towards the restructuring of the Ekurhuleni Metropolitan area.

- **Implement a statutory Urban Development Boundary:**
In the first place the Ekurhuleni Metropolitan Municipality has adopted the principle of an urban development boundary to contain urban sprawl and to protect the agricultural areas surrounding the urban complex in the metro.
- **Formalise and protect the Metropolitan Open Space System:**
The metropolitan open space system is conceptually based on the Gauteng Open Space Policy – Phase 2, the Eastern Gauteng Region Environmental Management Framework and negotiations between EMM, and the Gauteng Department of Agriculture and Rural Development (GDARD). Ekurhuleni also approved its biodiversity open space system (EBOSS) which forms part of the structuring elements. This open space system, which includes a primary and secondary open

space system, is designed around the sensitive areas (i.e. the drainage systems, the ridges and the pans), parks, the sport/recreation grounds and other large open spaces (i.e. golf courses, office parks/industrial parks with large gardens, cemeteries, etc.).

- **Focus on Promoting Economic Activity within Metropolitan Activity Area:**

The next principle for the Ekurhuleni Metro focuses on promoting economic activity within the central Metropolitan Economic Activity Area. This Metropolitan Activity Area holds the bulk of all job opportunities within the metro and includes the current active mines, all the major industrial areas, as well as all the major central business districts and shopping centres within the metro.

It is also important to note that, within this Metropolitan Activity Area, the centre of gravity in terms of accessibility, visibility and economic activity lies within the triangular area linking the Central Business Districts of Kempton Park, Boksburg, Germiston and Benoni to one another.

In view of current trends and the opportunities for development / redevelopment vested in this area (Rhodesfield, Kempton Park, East Rand Mall area, and the agricultural holdings adjacent to the north east and south of OR Tambo IA), should be afforded opportunity to become part of the future core identity.

- **Establish a system of functionally defined (specialised), and geographically demarcated activity nodes within the Metropolitan Activity Area:**

Having accepted the principle of promoting the Metropolitan Activity Area, the next step in the process will be to functionally demarcate the area into smaller functional units (core areas) in the Ekurhuleni Metropolitan Activity Area:

- The Greater OR Tambo IA area which includes the Kempton Park, Edenvale and Benoni CBDs, Rhodesfield, the Isando, Spartan and Jet Park Complex. This area includes two Blue IQ projects;
- the Central / Activity Belt which stretches from Germiston in the west up to Benoni CBD in the east and which includes the CBDs of Germiston, Boksburg and Benoni,
- The mining activities and all industrial areas in this belt;

- **Optimise linkages and connectivity within the Metropolitan Activity Area:**

With the four Core Areas and the individual Economic Activity Nodes within the Central Metropolitan Activity Area properly demarcated and functionally defined, it will be important to next link the various activity nodes within the Metropolitan Activity Area to one another in order to maximise the connectivity between these nodes throughout the Metropolitan Activity Area. There are two main desire lines in this regard; the east-west desire line between the N12 and the N17 freeways, and a north-south line linking the Tembisa, Kempton Park, Germiston, and Alberton areas

with their associated economic activities to one another, but also forming a functional part of the second concentric ring of development around the Greater Joburg Metro area.

- **Link disadvantaged communities to the Metropolitan Activity Area via a system of Public Transport Corridors:**
It is essential to link the communities from the four disadvantaged settlements to this Metropolitan Activity Area. This is achieved by designing the EMM public transport system in such a way that it feeds into the Metropolitan Activity Area.
- **Promote mixed use high-density development along linkages (development corridors) and in and around the activity nodes:**
In support of this, the EMM should then promote mixed use, high density development along these public transport corridors (subject to Road Access Management requirement) and in the areas in and around the activity nodes.
- **Structure the passenger transport system to support linkages (development corridors):**
As mentioned above the passenger transport system should be designed around the main strategic linkages within the EMM area. It is also highlighted in this regard that it is essential to promote Transit Orientated Development around the railway network within the EMM and within the core economic triangle.
- **Extend (and promote) economic activities into marginalised residential areas to become part of the Metropolitan Activity Area:**
The retail kick start implementation strategy will be promoted as a short term measure and the development of the PDAs into self sustaining neighbourhoods; as well as the development of a system of development nodes and corridors.
- **Promote infill residential development in vacant areas within the metropolitan activity area as a priority and within the urban development boundary in general:**
Apart from the strategic linkages mentioned above, the EMM should then as a priority also promote infill residential development in all the strategically located vacant areas that are suitable for development.
- **Focus on upgrading of engineering and social infrastructure in previously disadvantaged areas (Service Upgrading Priority Areas):**
The four disadvantaged areas should as a principle be declared as Service Upgrading Priority Areas in line with the Millennium Development Goals (MDGs).
- **Maintain and upgrade residential quality in rest of the area (Private Vehicle Orientated):**
As for the other residential areas within Ekurhuleni, the EMM should focus on maintaining the quality of life and the residential character of these areas as best as

possible. As a priority the residential quality and safety and security of these areas should thus be promoted.

- **Promote social and municipal service delivery by an evenly distributed system of Customer Care Areas(CCAs):**

As a last principle the EMM should then promote the delivery of social and municipal services which would include amongst others clinics, pension payout points, police services, municipal service points, taxi ranks, retail activities, recreational activities and any other related activities in Multi Purpose Customer Care Areas which are evenly distributed throughout the entire metropolitan area of jurisdiction.

Way forward

In conclusion the spatial geography of Ekurhuleni, besides being dysfunctional internally, its towns evolved and grew functionally around developments in the Johannesburg CBD. The locational distance of the metro from the Johannesburg CBD makes Ekurhuleni unique. This necessitates robustness and flexibility in the development of Ekurhuleni as a city with in particular spatial form and identity. The report on the recently established National Planning Commission is more relevant in this context in that it states with regard to the need for a national vision that this is a learning process and government is likely to make mistakes along the way as follows:

“It is not necessary to first construct a complete six lane highway before we can embark on a journey”. Green Paper on the National Planning Commission 2009.

This journey to construct a ‘six lane lane highway’ for Ekurhuleni started in 2000.

The MSDF should be reviewed in the context of the (1) establishment of the National Planning Commission (NPC) which still has to provide a national vision and national strategic planning; (2) the delimitation of new wards from 88 to 101 for the 2011 local government elections; (3) as well as the fact that the next census will be conducted next year 2011; and (4) For the sake of comprehensiveness and public participation, this MSDF will be work in progress. It will still be part of the 2010/2011 IDP review process however.

The Spatial Development Framework is being reviewed currently. The Draft Reviewed Document is contained on the CD provided as Annexure “C”.

9. DISASTER MANAGEMENT PLAN

The EMM Disaster Management plan was approved in 2007 and has been reviewed. The Draft reviewed Disaster Management Plan forms part of this Draft IDP and stakeholders will be further engaged thereon during the consultation process.

Executive Summary

The Disaster Management Act (Act 57 of 2002) provides disaster management personnel with a new focus on disaster management. It presents new challenges in not only negotiating and writing up a disaster management plan but also in developing disaster management plans for general public scrutiny. Public scrutiny and acceptance of disaster management plans, prior to its implementation, has become a legislative requirement as identified by Section 26(g) of the Local Government: Municipal Systems Act, Act 32 of 2000.

The Municipal Systems Act, in Section 25 indicates that each municipality should adopt a “single, inclusive and strategic plan for the development of a municipality.” The plan referred to is the Integrated Development Plan. The same Act in section 26(g) dictates that “applicable disaster management plans”, are a core component of the Integrated Development Plan of a Municipality.

Therefore, the challenge is to develop a disaster management plan which all stakeholders – community, public, commercial, etc - of a municipal entity are able to comprehend and implement within their own setting and which indicates the procedures and processes required to minimise the threat of disaster, utilising a developmental approach. Another challenge includes community and other stakeholder participation in not only the activation of disaster response procedures but also in mitigation and development initiatives, which would lead to sustainable development.

It should be noted that disaster management is not only reactive, but now focuses on actions aimed at preventing disasters, or mitigating the impact of disasters. Different line functions and departments must contribute in varying degrees to disaster management. The needs identified in the corporate disaster management plan will indicate where line functions and departments must contribute. These contributions will then be included in line function and departmental disaster management plans.

Disaster management plans cover the whole disaster management continuum, and must address actions before, during and after disasters. Disaster management plans are compiled on the basis of a generic plan including standard operating procedures and best practice, and then expanded with risk-specific plans that address disaster management for special circumstances where the generic plan needs to be adapted.

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The main strategy of all disaster management activities will be disaster risk reduction. A risk reduction strategy will ensure alignment with the strategies adopted internationally.

The United Nations' International Strategy for Disaster Reduction highlighted the following challenges posed by disasters:

- “1. *Disaster loss is on the rise with grave consequences for the survival, dignity and livelihood of individuals, particularly the poor and hard-won development gains. Disaster risk is increasingly of global concern and its impact and actions in one region can have an impact on risks in another, and vice versa. This, compounded by increasing vulnerabilities related to changing demographic, technological and socio-economic conditions, unplanned urbanization, development within high-risk zones, under-development, environmental degradation, climate variability, climate change, geological hazards, competition for scarce resources, and the impact of epidemics such as HIV/AIDS, points to a future where disasters could increasingly threaten the world's economy, and its population and the sustainable development of developing countries.*
2. *Disaster risk arises when hazards interact with physical, social, economic and environmental vulnerabilities. Events of hydro meteorological origin constitute the large majority of disasters. Despite the growing understanding and acceptance of the importance of disaster risk reduction and increased disaster response capacities, disasters and in particular the management and reduction of risk continue to pose a global challenge.*
3. *There is now international acknowledgement that efforts to reduce disaster risks must be systematically integrated into policies, plans and programmes for sustainable development and poverty reduction, and supported through bilateral, regional and international cooperation, including partnerships. Sustainable development, poverty reduction, good governance and disaster risk reduction are mutually supportive objectives, and in order to meet the challenges ahead, accelerated efforts must be made to build the necessary capacities at the community and national levels to manage and reduce risk. Such an approach is to be recognized as an important element for the achievement of internationally agreed development goals, including those contained in the Millennium Declaration.*
4. *The importance of promoting disaster risk reduction efforts on the international and regional levels as well as the national and local levels has been recognized in the past few years in a number of key multilateral frameworks and declarations.”*

South Africa was part of the Hyogo Framework of Action meeting in Japan during January 2005 with one of our personnel, and Councillors, participating as part of the South African delegation.

The Disaster Management Plan of Ekurhuleni predetermines, to the extent possible, actions to be taken by all departments, stakeholders and cooperating private organisations, to prevent disasters and to reduce the vulnerability of EMM residents to any disasters that may occur. The plan further aims to establish capabilities for protecting

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citizens from the effects of disasters and for mechanisms to respond effectively to the actual occurrence of disasters, and then to provide for recovery in the aftermath of any disaster involving extensive damage or other debilitating influence on the normal pattern of life within the community of the municipality.

The Disaster Management Plan provides the basis for the development of risk specific plans which would take into account the peculiarities of different risks. A flood has a different risk profile to drought and an earthquake has a different risk profile to a toxic chemical release.

Disaster Management is the business of all stakeholders in Ekurhuleni and so the integration of disaster response plans, the integration of sustainable development and the integration of risk reduction measures must be a coordinated focus of all stakeholders. It is only through sustainable development which considers the impact of development on future generations that we as a municipality would be able to leave a legacy of a healthy and safe world for all to be enjoyed.

The plan provides the results of consultation of disaster response role-players. Each Department of Council is able to identify its disaster responsibilities to ensure that any response to a disaster means that responders do not work against each other but rather compliment efforts to ease the effects of a disaster and so ensure a speedy recover from the disaster. The plan further aims to ensure that sustainable development remains just that, by the application of disaster management principals related to disaster risk reduction, mitigation of disaster risks and prevention.

The typical disaster response scenario would allow for immediate response actions by the Emergency Services in the form of emergency medical services (ambulance), fire and rescue and metro police services. Other departmental role-players like engineers, electricians, building inspectors, health workers, housing officials, to name a few and a host of non-municipal role-players like amateur radio operators, first aid organisations, the SPCA and the like, all have a joint and or supporting responsibility during the response to a disaster. The Disaster Management Centre would be activated and senior departmental officials would be required to participate in the decision making processes at the Centre while the disaster declaration is being done by the Executive Mayor.

The longer term disaster effects would continue to be coordinated from the Disaster Management Centre using relevant departments to supply the necessary skills and direction. These actions would ensure that rehabilitation, and if necessary, reconstruction occurs in order to normalise the disaster stricken community. Funding of post disaster response would take place by utilisation of own internal funds and then secondly by approaching the Provincial and National Government for additional disaster response funding and through the application of Municipal Finance legislation related to emergency purchases.

In conclusion, the Municipal Disaster Management Plan aims at ensuring that Ekurhuleni makes every effort to identify and then reduce disaster risk through proper and timely disaster risk reduction actions. For the disaster events which cannot be prevented, the disaster management plan provides all role-players with pre-determined guidelines on the processes to be followed to save lives and protect property and the environment.

The DRAFT Reviewed Disaster Management Plan is reflected as Annexure “D” and is contained on the CD provided.

10. MULTI YEAR FINANCIAL PLAN

The DRAFT 2010/2011 – 2012/2013 Multiyear Financial Plan is contained under separate cover.

11. PERFORMANCE MANAGEMENT SYSTEM

A municipality is required to utilise a PMS as a primary mechanism to plan, monitor, measure, review and improve the implementation of the municipality's Integrated Development Plan (IDP). The IDP process and the Performance Management process should be seamlessly integrated. The IDP fulfils the planning stage of Performance Management and, in turn, Performance Management fulfils the implementation, management, monitoring and evaluation of the IDP implementation. The performance of an organisation is integrally linked to that of its employees and it is important to manage both at the same time.

The process commences when consultation takes place with all relevant role players. Thereafter, a long term vision and IDP is developed and revised. A PMS is developed and implemented during the same process. After this, regular monitoring, measurement and reviewing of organisational and employee performance takes place. Results are reported on and plans for improvement are developed as part of the review of the IDP. Performance of the organisation is reported on quarterly and annually in terms of specific requirements. The review of the performance of individuals takes place on a quarterly basis in September, December and March of every financial year and a final assessment is done after the June year-end.

Measurement of organisational performance during a particular financial year is facilitated through the implementation and assessment of the Service Delivery Budget Implementation Plan (SDBIP). The annual SDBIP populated with Key Performance Indicators (KPIs), measures and targets, is an integral part of the PMS and must be annually approved and adopted by council. The contents of the SDBIP are taken up into the Performance Agreements of all Section 57 employees, contract workers as well as in performance appraisals of other municipal employees. A 100% alignment is thus ensured.

The PMS should provide a mechanism for ensuring increased accountability between the community and the council, the political and administrative components of the municipality, as well as between each department and the office of the City Manager.

The PMS must also provide a mechanism for learning and improvement in that knowledge must be obtained, in respect of which approaches have the desired impact and enables the municipality to improve delivery. Another important function of the PMS is that it should provide the leadership and management of the municipality with timely diagnostic signals of the potential risk that are likely to impede the implementation of the IDP. This will enable the implementation of interventions where it is necessary and possible to do so.

The Municipal Planning and Performance Management Regulations, Regulation 796 of 2001 to the Systems Act, contains the following important prescriptions relating to a municipality's PMS:

Regulation 7(1) – A municipality's PMS entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed; including determining the roles of the different role-players.

Regulation 7(2) – in developing a PMS a municipality must ensure that the system:

- (a) complies with all the requirements set out in the Act (Systems Act);
- (b) demonstrates how it is to operate and be managed from the planning stage up to the stages of review and reporting;
- (c) clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- (d) clarifies the process of implementing the system within the framework of the Integrated Development Planning process;
- (e) determines the frequency of reporting and the lines of accountability for reporting;
- (f) relates to the municipality's employee performance management process;
- (g) provides for the procedure by which the system is linked to the municipality's Integrated Developmental Planning process

Regulation 8 – A PMS must be established before or at the same time as the commencement by the municipality of the process of setting KPIs and targets in accordance with its integrated development plan.

Regulation 11(1) – A municipality must review its KPIs annually as part of the performance review process.

Regulation 14(4)(a)(ii) – A performance audit committee must review the municipality's PMS and make recommendations in this regard to the council of that municipality.

12. TWENTY PRIORITY TOWNSHIPS PROGRAMME

The Twenty Priority Townships Programme that focuses on the upliftment and development of previous disadvantaged communities included inter alia the following:

- Beautifying the townships;
- Providing decent schools;
- Providing clinics;
- Providing sport and recreational facilities;
- Providing lighting;
- Streets;
- All formal houses;
- Providing adequate storm water drainage systems;
- Roll out of MPCCs;
- Providing libraries;
- Providing taxi ranks;
- All roads in these townships to be tarred by 2009; and
- Each area has a vibrant commercial and transport hub.

Of the Twenty townships selected, seven fall within Ekurhuleni:

- Tembisa;
- Katlehong;
- Daveyton;
- Wattville; and
- Kwatsaduza (Kwa-Thema, Tsakane & Duduza).

The Gauteng Department of Housing is the coordinator of this programme and by implication this became the responsibility of the Housing Departments at Local Government.

At the Premier's Coordination Forum, which met on October 2006 the following recommendations were confirmed:

- The Twenty Prioritized Township Programme be regarded as an intergovernmental programme funded and supported by both spheres of government.
- The Integrated Development Plans of the Municipalities be reviewed to ensure that the strategic priorities as defined by the mandate as determined by the Premier be supported.
- The Provincial Government and Municipalities cooperate to review the IDP's and to prioritize the projects to be implemented to support the revised IDP's by end November 2006 and that Council approval of the revised IDP's be obtained by end January 2007

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- The Provincial Departments and Municipalities reprioritize their capital budgets and grant funding allocations to finance the reprioritized projects in the Twenty Prioritized Townships.
- The Provincial Departments include in their Budget Statement 3's which must be submitted to Treasury by end November 2006 the revised budgets.
- The funding required to implement projects to address the 11 Premier's Directives be determined as well as the budget shortfall once the reprioritized budgets have been finalized.
- The communication plan be discussed with the communication units of the Municipalities before end November 2006 to ensure that the Mayors and Municipal Managers are supporting the communication process.
- The Municipalities confirm their appointment of the Members of the Mayor Committees responsible to manage the 20 PTP within Council as well as the Municipal Twenty Prioritized Township Programme coordinators before end October 2006.
- The responsible Departmental and Municipal officials report monthly within 7 days after month end on the progress made to implement funded projects within the 20 PTP to their respective management structures and that these reports be copied to the Provincial Programme Manager to enable him to prepare progress reports to the Executive Council and the Premier's Coordination Forum.
- The various accounting officers monitor the progress of all projects to ensure that the funded projects be implemented timeously to ensure that the various targets are met.
- The services of the Provincial Programme Manager be utilized by the accounting officers to address deviations from project programmes and cash flows.

In short this meant that no additional funding would be forthcoming and that the Municipalities would be expected to align their IDPs and capital budgets to address the backlogs in those specific townships. Municipalities are encouraged to access grant funding like the "Neighbourhood Development Partnership Grant" of National Treasury. Ekurhuleni has submitted eight applications for this grant, all of which have been approved in principle. The EMM Housing Department has so far obtained bids for technical assistance for four of these approved applications, which will then be followed by capital grant funded projects. On investigation, it was established that the capital budget and IDP of Ekurhuleni does indeed fulfil these requirements, although the targets like "All roads in these townships to be tarred by 2009" cannot be met without substantial additional funding. The Municipal Roads Turnkey Programme and the EPWP programme of the Gauteng Department of Public Works will, however, ensure that many priority roads are tarred during this time. Other services and community facilities are also being upgraded and provided through the budget. This information is provided to the GDoH to inform them of progress within the 20PTP areas.

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It should also be noted that EMM is also addressing the same principles in the other previously disadvantaged townships. EMM has over the last number of years allocated approximately 60% of its capital budget towards the previously disadvantaged townships.

The following table reflects the progress made on the PTP projects in Ekurhuleni.

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Department	PTP Projects	Project Name	Ward	Total Budget	Actual Expenditure Year to Date	Actual Expenditure Plus Commitments on Venus	Percentage Spent (Actual Expenditure Plus Commitments)	Outputs
2010 Office	All	Upgrade all roads & non-motorised infrastructure	All wards	20,000,000	6,311,597.62	6,311,597.62	31.56%	
2010 Office	All	Upgrade street lighting around legacy projects	All wards	18,000,000	4,242,888.54	8,969,585.05	49.83%	
2010 Office	All	Establish base camps - Facilities Upgrade	All wards	6,000,000	-	-	0.00%	
Economic Development	All	Upgrade to Economic Infrastructure	All wards	3,930,000	29,694.89	1,351,442.61	34.39%	Paved roads
Economic Development	All	Industrial Hives & Other Job Creation Initiatives	All wards	15,570,000	423,833.86	736,956.67	4.73%	Walkways
Environmental Development: Parks	All	Development of Town Entrances	All wards	1,000,000	27,763.62	27,763.62	-2.78%	Developed entrances
Environmental Development: Parks	All	Danida Project: Nurseries	All wards	3,000,000	29,763.00	55,726.00	1.86%	Hothouses, Fences
IS: RTCW	All	Turnkey Roads	Multi wards	15,000,000	-	-	0.00%	Development of a business plan for Pedestrian safety inclusive of a pedestrian management plan
IS: RTCW	All	Turnkey Stormwater	Multi wards	3,962,653	-	-	0.00%	Development of a business plan for Pedestrian safety inclusive of a pedestrian management plan
IS: RTCW	All	Contribution Township Development	All wards	1,000,000	-	-	0.00%	

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IS: RTCW	All	East: Eastern Region, Upgr of Rds Depots	Multi wards	500,000	31,027.73	156,333.75	31.27%	Extend the water and / or sewer reticulation
IS: RTCW	All	East:Eastern Reg, Impl New Traffic Sign	Multi wards	1,000,000	-	-	0.00%	Construct services to serve this township
IS: RTCW	All	Turnkey Roads	Multi wards	15,000,000	-	-	0.00%	Provision of New infrastructure
IS: RTCW	All	Turnkey Stormwater	Multi wards	3,962,653	-	-	0.00%	Provision of New infrastructure
IS: RTCW	All	Turnkey Roads	Multi wards	15,000,000	-	-	0.00%	Construct roads in the greater Tembisa Area
SRAC	All	Upgrade: Recreation Facilities	All wards	2,000,000	250,669.53	2,000,000.00	100.00%	Upgrading of Sport & Recreational Facilities
CCC's	Daveyton	Daveyton Building Upgrade	70	4,338,570	26,500.00	26,500.00	0.61%	Infrastructure Improvement
CCC's	Daveyton	Etwatwa New Building	66	-	-	-	0.00%	Infrastructure Improvement
CCC's	Daveyton	Etwatwa New Building	67	1,962,233	-	-	0.00%	Infrastructure Improvement
CCC's	Daveyton	Etwatwa New Building (NDPG)	66	10,000,000	224,177.74	224,177.74	2.24%	Infrastructure Improvement
Community Safety	Daveyton	Construct of Precinct Station Etwatwa	68	4,500,000	-	-	0.00%	EMM Community
Community Safety	Daveyton	Construction of Precinct Station Etwatwa	68	6,000,000	-	-	0.00%	EMM Community
Community Safety	Daveyton	Cons Fire Station/House Daveyton	71	400,000	-	-	0.00%	EMM Community
Community Safety	Daveyton	Cons Fire Station/House Etwatwa	66	400,000	-	-	0.00%	EMM Community

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Community Safety	Daveyton	Const Precinct Stations Thokoza	58	4,500,000	-	-	0.00%	EMM Community
Electricity & Energy	Daveyton	2x20 MVA 22/ 6.6 kV trf at Fibre Glass Substation	67	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Daveyton	2x20 MVA 22/ 6.6 kV trf at New Era Substation	67	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Daveyton	MIG-Community Lighting	Multi wards	400,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Daveyton	Install passage lights - Ward 68	68	200,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Daveyton	Install passage lights - Ward 69	69	200,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Daveyton	High Mast Zenzele (12)	Multi wards	500,000	-	410,404.50	82.08%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Environmental Development: Parks	Daveyton	Develop: Blesbokspruit for tourism	67	2,000,000	308,188.76	308,188.76	15.41%	Building, Roads, Fence, Pathways, Roads
Environmental Development: Solid Waste	Daveyton	Cell Development - Rietfontein	77	1,000,000	1,000,000.00	1,000,000.00	100.00%	To refurbish, adapt and maintain the various EL networks and EL equipment of the Metro to facilitate acceptable service standards
Health	Daveyton	EXT & UPGRADE EMAPHUPENI CLINIC	65	1,200,000	-	-	0.00%	NEW CLINIC

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IS: RTCW	Daveyton	Daveyton Station Taxi Rank (C/F)	70	4,000,000	-	-	0.00%	Improve Public Transport
IS: RTCW	Daveyton	Construction of Bee eater Steet	0	1,500,000	-	-	0.00%	
IS: RTCW	Daveyton	Paving around Bee Eater	0	1,300,000	1,261,445.00	1,261,445.00	97.03%	
IS: RTCW	Daveyton	Daveyton Station Taxi Rank	70	5,110,000	-	-	0.00%	Improve Public Transport
IS: RTCW	Daveyton	Bhengu Street Stormwater	70	3,000,000	-	-	0.00%	Improve Stormwater
IS: RTCW	Daveyton	Upgrade Daveyton CBD Taxi Rank	70	4,500,000	-	-	0.00%	Improve Public Transport
IS: RTCW	Daveyton	Construct Daveyton CBD/N12 Interchange	Multi wards	4,000,000	-	-	0.00%	Replace existing midblock water pipes with pipes in the street to faciliate meter reading and maintenance::
IS: RTCW	Daveyton	East: Daveyton and Etwatwa, Construction of Turnkey	Multi wards	5,000,000	-	-	0.00%	Provide new outfall sewer
IS: Water and Wastewater	Daveyton	Relocate midblock water Daveyton (W55) C/F	Multi wards	1,000,000	-	-	0.00%	Replace existing midblock water pipes with pipes in the street to faciliate meter reading and maintenance::
IS: Water and Wastewater	Daveyton	Kwa-Thema: Upgrading of waternetwork C/F	78	1,000,000	-	-	0.00%	Upgrade water network in Kwa-Thema to improve water supply and to facilitate maintenance. Valves will be located and marked and replaced if necessary. New valves will be installed where required to proper maintenance.

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IS: Water and Wastewater	Daveyton	Daveyton: Rehabilitate 450dia steel pipe	68	100,000	-	-	0.00%	Replacement of an existing steel main water line
IS: Water and Wastewater	Daveyton	Etwatwa: Construct main water ring (P3)	26	500,000	419,277.44	419,277.44	83.86%	Construct bulk water main
IS: Water and Wastewater	Daveyton	Daveyton: Booster Pump Knoppiesfontein Res	Multi wards	200,000	-	-	0.00%	New booster pump to feed the Knoppiesfontein water tower at the Reservoir
IS: Water and Wastewater	Daveyton	Daveyton: Putfontein 26IR Ptn 106 bulk water P6 C/F	26	500,000	400,612.59	400,612.59	80.12%	Construct bulk water main
IS: Water and Wastewater	Daveyton	Upgrade Water Network C/F Etwatwa X19	Multi wards	3,000,000	-	-	0.00%	Water supply to new developments
IS: Water and Wastewater	Daveyton	Daveyton: Putfontein 26IR Ptn 106 bulk water P6 C/F	26	1,000,000	-	-	0.00%	Construct bulk water main
CCC's	Katlehong	Katlehong Building Upgrade	41	5,617,367	867,573.99	921,418.99	16.40%	Infrastructure Improvement
CCC's	Katlehong	Katlehong Building Upgrade	40	-	-	-	0.00%	Infrastructure Improvement
CCC's	Katlehong	Katlehong 2 New Building	60	8,895,635	375,127.18	379,141.18	4.26%	Infrastructure Improvement
Community Safety	Katlehong	DM Satellite Offices Katlehong 2	60	266,667	-	-	0.00%	To serve 500 000 house holds
Community Safety	Katlehong	Const Fire Station/House Zonkezizwe	62	1,000,000	-	-	0.00%	EMM Community
Community Safety	Katlehong	Establish MVRA/DLTC Katlehong	55	5,076,000	-	-	0.00%	EMM Community
Community Safety	Katlehong	Construction Precinct Stations Zonkezizwe/Zama	61	6,000,000	-	-	0.00%	EMM Community

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Electricity & Energy	Katlehong	Electrification of Sontonga street	0	2,300,000	575,605.72	575,605.72	25.03%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Environmental Development: Parks	Katlehong	Develop: Multi Purpose Park Spruitview	46	8,000,000	2,365,507.07	4,548,123.74	56.85%	Park
Environmental Development: Parks	Katlehong	Develop: Multi Purpose Park Spruitview	46	2,700,000	1,412,289.00	1,412,289.00	52.31%	Park
Health	Katlehong	EXT& UPGRADE Ramokonopi Clinic	59	50,000	50,000.00	50,000.00	100.00%	NEW CLINIC
Health	Katlehong	NEW CLINIC KATHLEHONG NORTH Level 2	40	250,000	23,684.21	23,684.21	9.47%	NEW CLINIC
Health	Katlehong	Family Skills Centre (South)	49	6,335,000	1,455,440.00	1,455,440.00	22.97%	SKILLS DEVELOPMENT CENTRE
Health	Katlehong	EXT& UPGRADE Ramokonopi Clinic	59	1,895,000	1,265,190.04	1,265,190.04	66.76%	NEW CLINIC
Health	Katlehong	NEW CLINIC KATHLEHONG NORTH Level 2	40	5,000,000	439,187.65	439,187.65	8.78%	NEW CLINIC
Housing	Katlehong	Moleleki Ext 1 & 2 Essential services. CF	60	6,800,000	3,000,382.89	3,000,382.89	44.12%	Essential services to 671 stands in Moleleki Ext 1&2
IS: RTCW	Katlehong	Construction of Sontonga Steet	0	21,000,000	-	-	0.00%	
IS: RTCW	Katlehong	Rehabilitation of roads	Multi wards	3,500,000	-	-	0.00%	The re is a huge back log in the Katlehong area with regard to rehabilitation of the roads

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IS: RTCW	Katlehong	Sidewalks General (2Katlehong CCC)	Multi wards	500,000	-	-	0.00%	As pedestrian patterns change, the need for sidewalks arise and there is a huge back log in the CCC areas.
IS: RTCW	Katlehong	Sidewalks General (Katlehong CCC)	Multi wards	500,000	-	-	0.00%	As pedestrian patterns change, the need for sidewalks arise and there is a huge back log in the CCC areas.
IS: RTCW	Katlehong	Tertiary Rds South Dept Construction	Multi wards	8,000,000	5,456,604.50	7,113,982.44	88.92%	To sustain departmental jobs is necessary to provide funds to construct roads departmentally
IS: RTCW	Katlehong	Northern Access Rd to Katlehong	40	22,000,000	8,526,172.95	8,526,172.95	38.76%	This road is the second access road to Katlehong and will accommodate the traffic to and from Katlehong from the N3 and the Northern suburbs
IS: RTCW	Katlehong	Roads on Dolomite	Multi wards	6,500,000	397,288.72	1,722,760.04	26.50%	The area where the biggest back log in the Southern region is, is underlain by dolomite and to construct roads, one minimise the risk of sink holes being formed
IS: RTCW	Katlehong	SW Masterplan in Katlehong	Multi wards	6,000,000	4,012,149.88	4,073,466.97	67.89%	The re is a huge back log in the Katlehong area with regard to Stormwater drainage
IS: RTCW	Katlehong	Tertiary Roads in Katlehong CF	Multi wards	2,000,000	384,680.00	384,680.00	19.23%	There is a huge back log of roads in Katlehong and these funds are counter funding to a MIG Grant

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IS: RTCW	Katlehong	South: Katlehong & Thokoza, Lining of Canal between Katlehong and Thokoza	Multi wards	1,000,000	-	-	0.00%	Canal needs frequent maintenance and lining it will reduce maintenance expenditure
IS: RTCW	Katlehong	Northern Access Road to Katlehong	40	10,600,000	3,018,764.14	3,018,764.14	28.48%	Northern Access road to Katlehong
IS: RTCW	Katlehong	Tertiary Roads in Katlehong MIG	Multi wards	20,284,867	-	-	0.00%	Reduce the back log. In the order of 600 km of roads should still be built
IS: RTCW	Katlehong	Magagula Heights Road and SW Phase 4	62	1,500,000	-	-	0.00%	Address the backlog in roads and SW in Magagula Heights
IS: Water and Wastewater	Katlehong	Augment water s Magagula Heights	62	200,000	-	-	0.00%	Provide water ring feed
IS: Water and Wastewater	Katlehong	Upgrade water mains Zonkiziwe	62	200,000	5,500.00	5,500.00	2.75%	Construct bulk water main
SRAC	Katlehong	Construction: Katlehong Stadium	51	12,000,000	5,223,022.57	5,223,022.57	43.53%	Construction of last phase of sport facility
SRAC	Katlehong	Upgrade: Katlehong Art Centre	49	500,000	-	-	0.00%	Construction of community art centre
CCC's	Kwatsaduz	Duduza Building Upgrade	87	3,100,453	25,650.00	450,494.00	14.53%	Infrastructure Improvement
CCC's	Kwatsaduz	Kwa Thema New Building/Extension	78	11,605,801	276,610.81	276,610.81	2.38%	Infrastructure Improvement
CCC's	Kwatsaduz	Tsakane New Building/Extension	82	9,475,369	212,446.36	212,446.36	2.24%	Infrastructure Improvement
Community Safety	Kwatsaduz	DM Satellite Offices Tsakane	82	266,667	-	-	0.00%	To serve 500 000 households
Community Safety	Kwatsaduz	Const Fire Station/House Duduza	87	500,000	-	-	0.00%	EMM Community

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Community Safety	Kwatsaduza	Const Fire Station/House Tsakane	82	1,468,598	-	-	0.00%	EMM Community
Community Safety	Kwatsaduza	Const Fire Station/House Kwa-Thema	77	-	-	-	0.00%	EMM Community
Community Safety	Kwatsaduza	Const Fire Station/House Tsakane	82	9,696,184	-	-	0.00%	EMM Community
Community Safety	Kwatsaduza	Const Fire Station/House Duduza	87	7,196,184	-	-	0.00%	EMM Community
Community Safety	Kwatsaduza	Training Academy Kwa-Thema	77	500,000	310,934.75	423,711.75	84.74%	EMM Community
Electricity & Energy	Kwatsaduza	Protective structures (Kwa Thema)	Multi wards	1,000,000	-	349,245.00	34.92%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	NDC MV Switchgear Replacement	Multi wards	350,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	New Tsakane Substation	Multi wards	896,000	252,794.69	769,417.87	85.87%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	Mini-Sub Upgrades in Various Subs	Multi wards	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	Elect Netw Restitution - Kwa-Thema	Multi wards	10,000,000	2,620,152.18	7,070,659.95	70.71%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	Germiston North - Install 20MVA (trf no 3)	17	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life

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Electricity & Energy	Kwatsaduza	Completion of Ring Cables - Kwa-Thema	80	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	Low cost service connections	Multi wards	1,000,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	New Reticulation - Ekuthuleni & Ext 3 Kwa-Thema	77	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	MIG - Upgrading of Streetlighting - Var Areas	Multi wards	1,064,000	138,030.65	138,530.65	13.02%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	MIG - High Mast Kwa-Thema	Multi wards	250,000	-	136,251.50	54.50%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	MIG- Rehab High Mast Kwa-Thema	Multi wards	200,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	MIG-H/masts:Tsakane & Ext incl Geluks	Multi wards	1,000,000	-	817,509.00	81.75%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Kwatsaduza	MIG - Rehab High Masts: Tsakane	Multi wards	400,000	22,951.60	22,951.60	5.74%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Environmental Development: Parks	Kwatsaduza	Develop: Tsakane Multi-Purpose Park	Multi wards	1,000,000	471,104.39	644,654.39	64.47%	Park
Environmental Development:	Kwatsaduza	Develop: Tsakane Multi-Purpose Park	Multi wards	3,000,000	638,739.09	638,739.09	21.29%	New Park

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Parks								
Environmental Development: Parks	Kwatsaduza	Develop: Vlakfontein Cemetery	88	1,000,000	19,250.00	57,405.00	5.74%	Paving
Health	Kwatsaduza	New Clinic Ward 83	83	900,000	-	-	0.00%	NEW CLINIC
Health	Kwatsaduza	New TSAKANE X 10 CLINIC Level 2	86	188,000	-	-	0.00%	NEW CLINIC
Health	Kwatsaduza	New TSAKANE X 10 CLINIC Level 2	86	5,000,000	865,407.91	865,407.91	17.31%	NEW CLINIC
Health	Kwatsaduza	New Clinic Ward 83 level 2	83	3,500,000	-	-	0.00%	NEW CLINIC
Housing	Kwatsaduza	Upgrade services Riverside, Mashimimi	Multi wards	10,500,000	-	-	0.00%	Upgraded existing water and sewer infrastructure in Reiverside, Kwa-Thema
IS: RTCW	Kwatsaduza	Develop Kwa-Thema Economic node sidewalks	0	1,000,000	835,826.06	835,826.06	83.58%	
IS: RTCW	Kwatsaduza	Bluegumview Taxi Rank	86	2,310,000	-	-	0.00%	Improve Public Transport
IS: RTCW	Kwatsaduza	Closure Open Channels Kwatsaduza	Multi wards	2,000,000	-	-	0.00%	Improve Stormwater
IS: RTCW	Kwatsaduza	East: Kwatshaduza, Construction of Turnkey	Multi wards	5,000,000	-	-	0.00%	Eliminate sewer pump stations
IS: RTCW	Kwatsaduza	East Duduza, Plan Link Rd K136 & Rd 1894	81	800,000	-	-	0.00%	Provide new outfall sewer
IS: Water and Wastewater	Kwatsaduza	Springs: Kwa-Thema: Upgrade Water Network	Multi wards	200,000	-	-	0.00%	UPGRADE WATER MAINS TO 100mm DIAM
IS: Water and Wastewater	Kwatsaduza	Nigel: Tsakane: Water Network P1	Multi wards	200,000	-	-	0.00%	UPGRADE WATER NETWORK IN TSAKANE

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IS: Water and Wastewater	Kwatsaduza	Nigel: Tsakane: Zulu Water P/S	Multi wards	200,000	-	-	0.00%	Modify Zulu pump station with dedicated pumps to fill Zulu tower and dedicated pumps to fill Xhosa reservoir
IS: Water and Wastewater	Kwatsaduza	Isolate Midblock water Kwa-Thema	78	200,000	-	-	0.00%	Replace existing midblock water pipes with pipes in the street to facilitate meter reading and maintenance::
IS: Water and Wastewater	Kwatsaduza	Nigel: Upgrade/Eliminate Rockville pumpst	81	50,000	-	-	0.00%	Upgrading of sewer pumpstations
IS: Water and Wastewater	Kwatsaduza	Tsakane: Upgrade Xhosa water p station	84	500,000	-	-	0.00%	Upgrade water pump station
IS: Water and Wastewater	Kwatsaduza	Tsakane: Provide water Tsakane x 6 and 10	86	100,000	-	-	0.00%	Provision of potable water
SRAC	Kwatsaduza	Re-construct Tsakane Stadium	82	15,000,000	-	-	0.00%	Building of a world class sport facility
SRAC	Kwatsaduza	Construction: New Library Langaville	81	3,000,000	-	174,710.00	5.82%	Construction of a new library facility
SRAC	Kwatsaduza	Re-Construct Tsakane Stadium	82	10,000,000	5,703,533.70	5,703,533.70	57.04%	Construction of last phase of sport facility
CCC's	Tembisa	Tembisa Building Upgrade	6	6,409,136	681,801.75	684,401.75	10.68%	Infrastructure Improvement
CCC's	Tembisa	Tembisa 2/ Winnie Mandela New Building	3	11,037,700	-	-	0.00%	Infrastructure Improvement
Community Safety	Tembisa	DM Satellite Offices Tembisa	6	266,666	-	-	0.00%	To serve 104 000 house holds
Electricity & Energy	Tembisa	12 x High mast lights (Tembisa)	Multi wards	500,000	-	416,344.50	83.27%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life

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Electricity & Energy	Tembisa	Main feeder cables	14	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	Protective Structures (Tembisa)	Multi wards	500,000	133,898.90	477,328.90	95.47%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	Protective Structures Ward 4 (Tembisa)	4	300,000	-	298,980.00	99.66%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	Protective structures Ward 1 (Tembisa)	1	300,000	-	298,980.00	99.66%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	Tembisa Substations-upgrade	Multi wards	500,000	-	-	0.00%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	Additional MIG Projects	All wards	6,936,000	-	1,635,018.00	23.57%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	High Mast Ward 8	8	500,000	-	416,344.50	83.27%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Electricity & Energy	Tembisa	High Mast Lighting Ward 6	6	500,000	-	415,354.50	83.07%	To improve service delivery, enhance revenue, improve reliability of elec supply, improve the standard of life
Environmental Development: Parks	Tembisa	Develop: Multi Purpose Park Motsua	9	1,500,000	-	-	0.00%	Park
Environmental Development:	Tembisa	Develop: New Northern Cemetery	13	5,000,000	676,484.48	694,684.48	13.89%	Roads, Services, Buildings

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Parks								
Health	Tembisa	EXT & UPGRADE Etafeni Clinic	14	500,000	-	-	0.00%	NEW CLINIC
Health	Tembisa	New Phomolong (ITHERELENG)Clinic (North) Level 2	12	50,000	-	-	0.00%	NEW CLINIC
Health	Tembisa	EXTENSION & UPGRADE THCC FOR PHAPHAMA	6	1,700,000	26,712.00	26,712.00	1.57%	NEW CLINIC
Health	Tembisa	EXT & UPGRADE Etafeni Clinic	14	4,000,000	756,028.08	756,028.08	18.90%	NEW CLINIC
Health	Tembisa	New Phomolong (ITHERELENG)Clinic (North) Level 2	12	4,500,000	174,192.91	174,192.91	3.87%	NEW CLINIC
IS: RTCW	Tembisa	Tembisa Natural Watercourses upgrading	Multi wards	200,000	-	-	0.00%	Reduce the flooding potential at areas targeted. Improve stormwater management
IS: RTCW	Tembisa	Esangweni Pedestrian facilities/bridge	Multi wards	100,000	-	-	0.00%	Catalyst for development
IS: RTCW	Tembisa	Greater Tembisa Roads and SW C/F	Multi wards	7,000,000	-	-	0.00%	Provision of New infrastructure
IS: RTCW	Tembisa	Greater Tembisa Roads and SW MIG	Multi wards	30,000,000	262,040.02	262,040.02	0.87%	Provision of New infrastructure
IS: RTCW	Tembisa	Tembisa Depot Upgrading	8	2,000,000	-	-	0.00%	90% compliance to the building program in a cost effective and architecturally acceptable standard Appraisal of proposed buildings in consultation with owner departments, Planning, Design, Compile building program & Supervision and contract

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								administration
IS: RTCW	Tembisa	Oakmoor Taxi Rank B C/F	4	1,500,000	-	-	0.00%	Provision of one taxi facility
IS: RTCW	Tembisa	Dan Nkabinde Rd: Reconstr of bridge	10	200,000	-	-	0.00%	Provision of safe crossing over spruit
IS: RTCW	Tembisa	Oakmoor Taxi Rank (MIG)	4	2,000,000	-	-	0.00%	Provision of one taxi facility
IS: Water and Wastewater	Tembisa	Tembisa: Western OF sewer	10	500,000	-	-	0.00%	Consolidate and upgrade outfall sewer
IS: Water and Wastewater	Tembisa	Tembisa: Replace w/p Zephania str	14	200,000	-	-	0.00%	Replace existing water pipe
IS: Water and Wastewater	Tembisa	Repl Tembisa main out s in Motsu	10	200,000	107,368.65	107,368.65	53.68%	Repalce sewers that are old with many defects occur.
IS: Water and Wastewater	Tembisa	Tembisa: Replace water pipe Isekelo	8	100,000	-	-	0.00%	Replace existing pipeline
IS: Water and Wastewater	Tembisa	Tembisa: New water pressure tower C/F	14	1,000,000	36,343.21	36,343.21	3.63%	New booster pump to feed tembisa
IS: Water and Wastewater	Tembisa	Tembisa: Relining of r feed for Tembisa res	14	1,000,000	-	-	0.00%	Reline or replace old under capacity pipes
IS: Water and Wastewater	Tembisa	Replace main water - Isekelo Tembisa	8	200,000	-	-	0.00%	Construct bulk water main
IS: Water and Wastewater	Tembisa	Tembisa: Building new & upg Depots (N Region)	14	1,000,000	492,702.00	492,702.00	49.27%	Construct new and upgrade existing building
IS: Water and Wastewater	Tembisa	Tembisa: New water pressure tower (MIG)	14	1,000,000	2,326.28	2,326.28	0.23%	Construct new water pump station

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IS: Water and Wastewater	Tembisa	Tembisa: Relining of r feed for Tembisa res	14	2,000,000	3,317.23	3,317.23	0.17%	Reline or replace old under capacity pipes
SRAC	Tembisa	Upgrade: Makhulong Stadium	7	7,000,000	-	-	0.00%	Construction of sport facility
SRAC	Tembisa	Upgrade: Makhulong Stadium	7	9,000,000	5,438,218.89	5,438,218.89	60.42%	Construction of sport facility0
2010 Office	Wattville	OR Tambo Precinct and surrounding development (2010 projects as Mayoral decision)	All wards	60,000,000	5,116.00	5,116.00	0.01%	
Environmental Development: Parks	Wattville	Develop Existing Cemetery - Wattville / Benoni	Multi wards	500,000	-	53,899.00	10.78%	Roads, Landscaping, Lights
Environmental Development: Parks	Wattville	Develop: Community Parks Wattville	30	1,100,000	292,548.78	292,548.78	26.60%	New Park
IS: RTCW	Wattville	Khama Road Wattville Construction	30	1,000,000	-	-	0.00%	Improve Stormwater
IS: RTCW	Wattville	East: Wattville, Leachville and Kingsway, Construction of Turnkey	30	5,500,000	-	-	0.00%	Provide new outfall sewer

12.1 The Tembisa Project as part of 20 PTP

One of the greatest challenges facing South Africa nearly 16 years into our democracy is the issue of addressing the economic development of exclusion areas, specifically African townships. The approach of **exclusion by design** as purported by the apartheid policies has ensured that location-related, design and institutional factors cause a township to be virtually dysfunctional from inception. The common factors that these areas share are:

- Lack of formal economic activity;
- Lack of formal business nodes;
- Lack of social infrastructure;
- Poor quality public open space;
- Non-existent recreational facilities;
- Poor public transport linkages; and
- Township 'row-type' housing.

However, things are starting to change. Township renewal projects are making their appearance through the larger metropolis in South Africa. Examples includes; the Umlazi Renewal Project (Durban); Alexandra Renewal Project (Johannesburg); and the Bekkerdals Renewal Project (Johannesburg).

The Ekurhuleni Metropolitan Municipality has recognised and initiated processes to facilitate the change. To that end, this report presents the urban management plan and the master plan framework for the Tembisa Township. This report and operational plan illustrates our commitment to change the current disparities that are evidenced by former townships in the Ekurhuleni Metropolitan Municipality. It is exciting times indeed, and it is our hope that this ambitious project not only rejuvenates the aesthetics of the Tembisa area, but more importantly looks toward the establishment of processes for the development of human capital. We aim to restore the pride of our people that reside in the Tembisa area by creating social, economic and infrastructural change that will promote integrated settlements for the people of Tembisa.

Details of the Tembisa Urban Management plan and Mater Plan Framework is contained in Annexure "E" on the CD.

12.2 Wattville as part of 20 PTP

EMM have also prioritised the Wattville area to be fast tracked in terms of the eradication of backlogs in basic services, roads and storm water and social facilities. These are nearly completed and soon the residents of Wattville will be able to live and work in an area with proper functional services. This includes the development of the OR Tambo precinct in Tamboville. This is a multimillion rand project and cuts across various departments which will provide for economic growth and job creation, tourism opportunities in the area as well as supporting Cultural development.

13. PROVINCIAL PLANS, PROGRAMMES AND BUDGETS

Information regarding the provincial plans, programmes and budgets were not yet received from the Gauteng Province when the Draft IDP has been sent to print. This is a great concern to EMM as it hampers the process of integration and Alignment. During the Provincial Technical Steering Committee processes in 2009, provincial departments committed to provide details of their respective plans, programmes and budgets to municipalities, but it did not happen up to when this document was finalized. There will however be a concerted effort to endeavor to get this information before the final IDP is submitted to Council.

14. EKURHULENI TURNAROUND STRATEGY

Parliament approved a process whereby all municipalities in the country must draft Turnaround Strategies which must be included in their respective IDP's by March 2010. However the EMM reviewed IDP is scheduled to be tabled at Council on 25 February 2010. The turnaround strategy process has just commenced and will be finalized and submitted to the Council by end of March 2010.

15. CONCLUSION

The 2009-2013 IDP has been reviewed in line with the various National and Provincial Guidelines, the EMM GDS 2025 and community priorities. Departmental plans include strategic objectives, indicators and targets which is included in the SDBIP. It is tabled to Council for the purpose of public participation and consultation after which comments will be factored into the final IDP and submitted to Council for adoption by the end of May 2010.

2010/11 Budget Document

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PART 1 – ANNUAL BUDGET

1. FOREWORD OF THE CITY MANAGER

The long awaited 2010 has finally arrived – and with it the tremendous responsibility of hosting the first Soccer World Cup on the African continent. The winter of 2010 will be long remembered in the hearts of our nation as one of the most exciting periods in our young democracy's existence.

Whilst the soccer fans are enjoying the hospitality that South Africa, and particularly Ekurhuleni has to offer, the day-to-day activities will have to continue on a more operational level, including the start of a new financial year. A year that will be very challenging indeed – not only do we have the daunting task of stabilising our financial position after the economic crisis of the last few months, but we also have to speed up the pace of delivery to reach the backlog eradication goals that we aspire towards.

Increased delivery will not necessarily come in the form of increased budget allocations. The effect of higher than inflation increases in the cost of bulk services reduces the flexibility of the operating budget as larger portions of the budget are locked in non-discretionary expenditure items. Amounts available for maintenance and capital infrastructure must be stretched to achieve as much as possible. We must procure the highest quality products at the lowest prices. It is anticipated that the cost of infrastructure will decline now that the spending on both the Gautrain and the 2010 Stadia nears ending. The basic economic principle of supply and demand that caused such steep increases in the cost of infrastructure projects during the last two years will help us to achieve the increased delivery with a reducing capital budget.

The 2010/11 year will see the finalisation of the new Customer Care Centres which will take services closer to our communities. A new relationship is required between the Metro and the community: One of providing services at the expected level with payment for services in return. The generation of income that will be used to re-invest in the community are key ingredients for a successful metropolitan municipality.

In addition, 2010 will also be the year in which the Ekurhuleni Metro turns a decade. It is a year in which we will not only reflect on what has happened and what has been achieved over the past 10 years, but also a year in which we will continue to show that we are serious about improving on service delivery to our community.

As 2010 makes way for 2011, the next local elections will take place when Ekurhuleni will see the third team of councillors taking up their positions to represent the people of the region. Yes, 2010 will be long remembered by the residents of Ekurhuleni ... and this budget will provide the resources to fund the change to the lives of our communities during 2010/11.

Khaya Ngema
February 2010

2. BUDGET RESOLUTIONS: 2010/2011 – 2012/2013 BUDGET

2.1 **That** the annual operating budget of Ekurhuleni Metropolitan Municipality for the financial year 2010/2011 and indicative for the two projected outer years 2011/2012 and 2012/2013 **BE APPROVED** as set out in the following tables:

- Budget Summary – Table A1 on page 52;
- Budget Performance (Revenue and Expenditure by standard classification) – Table A2 on page 53;
- Budget Performance (Revenue and Expenditure by municipal vote) – Table A3 on page 54;
- Budget Performance (Revenue and Expenditure) – Table A4 on page 55;
- Budget Capital Expenditure by vote, standard classification and funding – Table A5 on page 56;
- Budgeted Financial Position – Table A6 on page 57;
- Budgeted Cash Flows – Table A7 on page 58;
- Cash backed Reserves / Accumulated Surplus reconciliation – Table A8 on page 59;
- Asset Management – Table A9 on page 60;
- Basic Service Delivery Measurement – Table A10 on page 61.

2.1.1 **That** authority **BE GRANTED**, to a maximum amount of R250 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 2011 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.

2.1.2 **That** the Chief Financial Officer **BE DELEGATED** authority to adjust the 2010/2011 operating budget (income and expenditure) with all operating grants received as well as income received for recoverable jobs subject to these adjustments being reported on in the Adjustments Budget.

2.1.3 **That** the Chief Financial Officer **BE DELEGATED** authority to adjust the 2010/2011 operating (income, expenditure and contribution to capital where applicable) and capital budget with all insurance claims received subject to these adjustments being reported on in the Adjustments Budget.

2.1.4 **That** the Chief Financial Officer **BE DELEGATED** authority to adjust the 2010/2011 capital and operating budgets, with all developers contributions received for new

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

2.1.5 **That** the Chief Financial Officer **BE DELEGATED** authority to adjust the 2010/2011 capital and operating budgets, with all external grants received for capital projects subject to these adjustments being reported on in the Adjustments Budget.

2.1.6 **That**, in order to facilitate multi-year budgeting, departments **BE AUTHORISED** to commit projects on the 2011/2012 and 2012/2013 budgets, on both internal and confirmed external funding sources.

2.1.7 **That** the taking up of a municipal bond of R1,1 billion to fund the 2010/2011 Capital Budget **BE APPROVED** subject to the Chief Financial Officer submitting a further report detailing the terms and conditions of the bond before it is finalised.

2.2 **That** the annual consolidated operating budget of Ekurhuleni Metropolitan Municipality for the financial year 2010/2011 and indicative for the two projected outer years 2011/2012 and 2012/2013 **BE NOTED** as set out in the following table:

- Consolidated Budget Summary – Table A1 on page 62 ;

2.3 **That** the tariff increases as contained in the Budget Document **BE APPROVED**

2.4 **That** the Measurable Performance Objectives for the annual budget as contained in Part 2(10) of the Budget Document **BE APPROVED**

2.5 **That** the Budget-related policies or amendments to the policies as contained in the addendum to the budget document **BE APPROVED** (for **NEW** and **REVISED** policies); and

That the Budget-related policies as contained in the CD addendum to the budget document **BE NOTED** (for **EXISTING** policies):

1. Tariffs policy in term of section 74 of the Municipal Systems Act (**REVISED**)
 - a. Electricity
 - b. Water and Wastewater
 - c. Solid Waste
2. Property Rates Policy and By-law (**REVISED**)
 - a. Rates policy in terms of section 3 of the Municipal Property Rates Act
 - b. Rates by-law
3. Credit control and debt collection policy and By-law (**REVISED**)
 - a. Credit control and debt collection policy in terms of section 96 of the MSA
 - b. Credit control and debt collection By-law
4. Cash Management policy in terms of section 13(2) of the MFMA (**REVISED**)
5. Investment policy in terms of section 13(2) of the MFMA (**REVISED**)
6. Borrowing policy (**NEW**)

7. Funding and reserves policy (**NEW**)
8. Long term financial plan (**NEW**)
9. SCM policy in terms of section 111 of the MFMA (**UNCHANGED**)
10. Asset management and disposal of assets policy (**UNCHANGED**)
11. Policies dealing with infrastructure investment and capital projects
 - a. Planning and approval of capital projects (**NEW**)
 - b. Developer contributions for property developments – Electricity (**UNCHANGED**)
 - c. Developer contributions for property developments – Water and Wastewater (**UNCHANGED**)
 - d. Developer contributions for property developments – Roads (**UNCHANGED**)
12. Indigents policy (**REVISED**)
13. Policies related to the provision of free basic services
 - a. Electricity (**UNCHANGED**)
 - b. Water and Wastewater (**NEW**)
14. Budget implementation and monitoring policy (**NEW**)
15. Policies relating to managing electricity (**UNCHANGED**)
 - a. Electricity metering for domestic customers (aimed at management of electricity losses)
 - b. Policy to promote electricity conservation and efficiency
16. Policies related to personnel (including overtime, vacancies and temporary staff) (**UNCHANGED**)
 - a. Recruitment and section policy and procedure
 - b. Policy for appointing temporary staff
 - c. Personnel policy
 - d. Payment of advances on salaries policy
 - e. Overtime policy
 - f. Acting allowance policy
 - g. Acting allowance (section 57) policy
 - h. Uniform allowance for night work policy
 - i. Uniform cellular allowance policy
 - j. Medical fund contributions policy
 - k. Boksburg housing allowance policy
 - l. Calculation of annual leave pay policy
 - m. Domestic travel policy
 - n. Inconvenience allowance policy
 - o. Transport allowance policy
 - p. Subsistence and travelling policy
 - q. Standby and fire allowances policy
 - r. Uniforms for nursing staff policy
 - s. Progressive advancement policy
 - t. Rapid advancement policy
 - u. Internship policy and implementation guidelines

- v. Exchange policy
 - w. Learnership policy
 - x. Study bursary scheme for employees
 - y. Ekurhuleni bursary scheme
 - z. HIV policy
 - za. Transportation of corpses to the rural areas policy
 - zb. Incapacity due to ill health policy
17. Policies dealing with municipal entities (including Service delivery agreements and Dividend preference of the municipality) **(REVISED)**
18. Other policies
- a. Accounting Policy **(REVISED)**
 - b. Provision and doubtful debt and debt write-off **(NEW)**
 - c. Acceptance of grants, donations, sponsorships and gifts policy **(UNCHANGED)**
- 2.6 **That** the tabled budgets and business plans of the municipal entities appearing in Part 2(11) in the Budget Documents **BE SUPPORTED**.
- 2.6.1 **That** the upper limits of the salaries, allowances and other benefits of the CEO and other senior staff of the Municipal Entities **BE DETERMINED** in terms of Section 89 of the MFMA, for the 2010/2011 financial year, as detailed in part 2(15) of the Budget Document:
- Brakpan Bus Company
 - ERWAT
 - EDC
- 2.6.2 **That** the payment of any performance bonuses of Municipal Entities (in addition to the salaries, allowances and other benefits approved above) **BE SUBJECT** to approval by the Ekurhuleni Metropolitan Municipality Remuneration Committee.
- 2.6.3 **That** the Ekurhuleni Metropolitan Municipality Remuneration Committee **BE DELEGATED** the authority to approve performance bonuses of the Municipal Entities for purposes of compliance with Section 89 of the MFMA.
- 2.6.4 **That** the Service Delivery and Budget Implementation Plans of the Municipal Entities appearing in Part 2 of the Budget Document **BE APPROVED** as contemplated in section 93B (a) of the Municipal Systems Act and section 87(5)(d) of the MFMA.
- 2.6.5 **That** the Municipal Entities **BE INFORMED** of the resolutions taken above and **BE REQUESTED** to submit their budgets to their respective Boards for final approval.

3. EXECUTIVE SUMMARY

This section provides an overview of the Budget process and the 2010/2011 – 2012/2013 Multi-Year Capital Budgets and the linkage with the IDP.

The 2010/2011 – 2012/2013 Multi-Year Budget was compiled with a view to addressing key service delivery challenges. Resources were allocated in line with the service delivery challenges and the Growth and Development Strategy (GDS) focus areas.

Specific attention was given to how the departmental budgets address the following:

- GDS Focus Areas
- Alignment with the IDP
- Community Needs (Ward-based)
- Visible Delivery
- Political (MMC & Portfolio) Involvement

3.1 Total Service Delivery Package of the Metro and associated financial implications

The following services are rendered by the Metro:

Infrastructure Services Roads, Water and Wastewater, Housing, Environmental Development, Electricity and Energy and Fleet
Community Services Health, SRAC, Community Safety, CCA's, 2010, Economic Development, City Development,
Corporate Services Legal and Admin, HR, Finance, ICT, Marketing, Council General (Germiston Civic Precinct Building), R&D, Internal Audit, Political Office, etc.

The Metro has three municipal entities, namely:

- Brakpan Bus Company
- East Rand Water Care Company
- Ekurhuleni Development Company, including Pharoe Park, Phase Two and Lethabong Housing Institute

Brakpan Bus Company Provision of a Bus Service to the community of Brakpan.
East Rand Water Care Company (ERWAT) Wastewater Purification for the entire Ekurhuleni Metro and portions of the City of Johannesburg.
Ekurhuleni Development Company (EDC) Social Housing (Rental) in Germiston.

The services are funded from a variety of income sources, being:

Assessment Rates	2,527,357,558
2010 Office	36,038,093
Customer Care Areas	62,328,629
City Development	93,275,193
City Manager	8,710,677
Communications and Marketing	41,419,960
Council General	365,759,877
DCM: Corporate	6,848,324
DCM: Operations	3,159,469
DCM: Strategic	3,300,092
Economic Development	25,674,030
Environmental Development	94,665,135
Finance	964,007,705
Fleet Management	33,549,683
Human Resource Management	71,859,989
IDP	7,897,599
Internal Audit	25,264,594
Legal and Admin	206,173,358
Organisational Performance	1,497,103
Political Office	152,731,761
Research and Development	3,704,497
Risk Management	4,444,085
Solid Waste	124,080,684
Contribution to Services	190,967,021

Equitable Share Grant	2,420,523,526
Indigent Support	175,136,167
Eskom Areas Free Basic Services	54,000,000
Interest on External Loans	415,333,894
Health	352,488,617
Housing	260,965,102
Roads	996,277,483
Contribution to Services	166,322,263

Trading Services Surplus	1,456,325,652
ICT	77,890,167
Market	6,942,992
Water and Wastewater Net Surplus	325,656,765
Electricity Net Surplus	1,045,835,728
Contribution from Assessment Rates	190,967,021
Contribution from Equitable Share Grant	166,322,263

Total	1,813,614,936
Community Safety	924,221,140
Parks	440,113,348
Sport, Recreation, Arts and Culture	449,280,448

The Metro provides support to the municipal entities as detailed below.

Brakpan Bus Company

- Use of Council Owned Buses as per the conditions contained in the Lease Agreement. The further recapitalisation of the bus fleet will be subject to the availability of funds in the capital budget of the Ekurhuleni Metropolitan Municipality.
- Use of Council Owned Facilities as per the conditions contained in the Lease Agreement
- Administrative support in relation to financial management (on request) at no cost to the BBC with the express provision that the accountability remains with the Accounting Officer of the Entity.
- Direct financial support to be considered on a year-to-year basis by Council, subject to availability of finance and/or budget provision at the EMM.
- Guarantee of borrowings of entity subject to financial viability of proposed borrowings.
- Any other support will be provided in terms of the Service Level agreement, but subject to the availability of resources in the Ekurhuleni Metropolitan Municipality.

Ekurhuleni Development Company

- Administrative support in relation to financial management (on request) at no cost to the EDC with the express provision that the accountability remains with the Accounting Officer of the Entity.
- Direct financial support to be considered on a year-to-year basis by Council, subject to availability of finance and/or budget provision at the EMM.
- Guarantee of borrowings of entity subject to financial viability of proposed borrowings.
- Any other support will be provided in terms of the Service Level agreement, but subject to the availability of resources in the Ekurhuleni Metropolitan Municipality.

ERWAT

- ERWAT, as service provider to the Ekurhuleni Metropolitan Municipal Municipality, should set cost reflective tariffs which must include both operational and capital cost related to the rendering of the service. To this end, the EMM commits to approve the following cost reflective tariffs in the MTIEF period:
- MIG grants will be made available from the EMM MIG allocation to ensure that bulk sewer infrastructure is available to service the EMM community.
- Bulk contributions received from developers used to fund additional capacity requirements.
- Guarantee of borrowings of entity subject to financial viability of proposed borrowings.
- Direct financial support to be considered on a year-to-year basis by Council, subject to availability of finance and/or budget provision at the EMM.
- Any other support will be provided in terms of the Service Level agreement, but subject to the availability of resources in the Ekurhuleni Metropolitan Municipality.

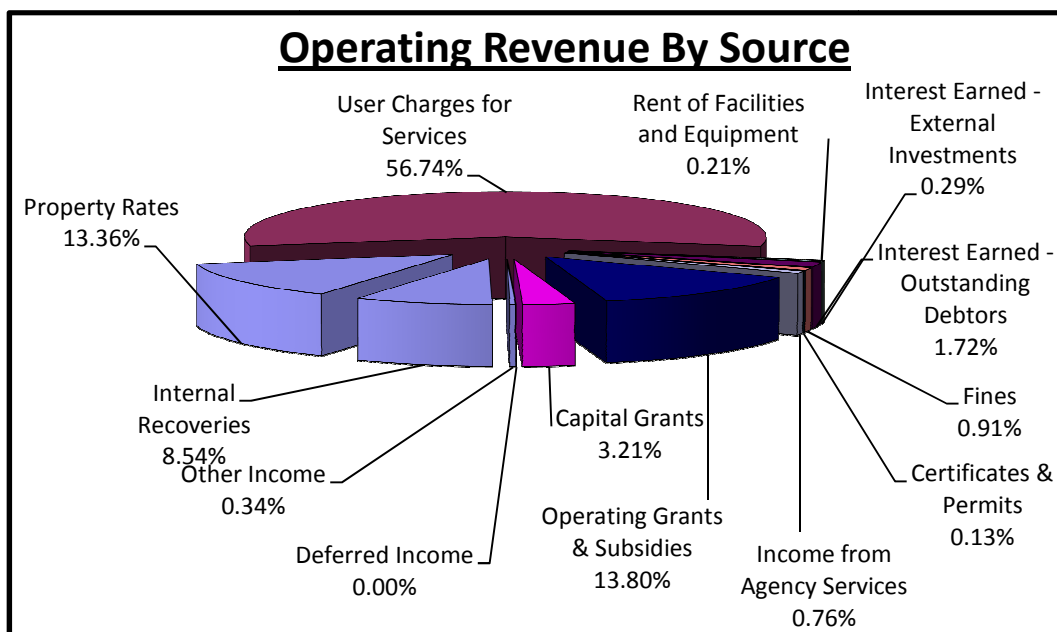
3.2 Effect of the annual budget

3.2.1 Operating Budget

The operating budget amounts to R17.98 billion (excluding internal charges). The bulk of the income is derived from **Assessment Rates** and **User Charges for Services**.

User charges increased due to a combination of tariff increases, ranging from 10% - 35%, and growth of between -3% and 3%. The highest tariff increase of 35% is the increase on the electricity tariffs.

The income from various sources is reflected in the following graph:



Council is also affected by the world-wide economic decline. Income is showing a decline and it similarly has an increased effect on some expenditure. The following categories are affected:

Income on external Investments

Budgeted Income 2009/10	R179,2 mil.
Adjusted Income 2009/10	R 59,2 mil.
Budgeted Income 2010/2011	R 56,3 mil.

Interest on External Loans payable

The interest had to be increased as a result of the higher interest on the external loans. Additional provision is made for the new loans to be obtained.

Budgeted Expenditure 2009/10	R274,9 mil.
Adjusted Expenditure 2009/10	R325,1 mil.
Budgeted Expenditure 2010/2011	R486,4 mil.

Provision for Bad Debts

The economic decline also affected the payment levels of consumers and Council had to adjust the Provision for Bad Debt accordingly.

Budgeted Provision 2009/10	R1 142,9 mil.
Adjusted Provision 2009/10	R1 354,3 mil.
Budgeted Expenditure 2010/2011	R1 535,4 mil.

The budgeted target of 93% payments levels have not been achieved in the current financial year. However, the target will remain at 93% for 2010/11. The intention is to ring fence budgeted expenditure equal to 3% (to the value of R383 million) in order to avoid cash flow problems during the year. The ring fenced amount will only be released if collection levels of 93% are achieved.

Expenditure on **Employee related costs** was increased with the following:

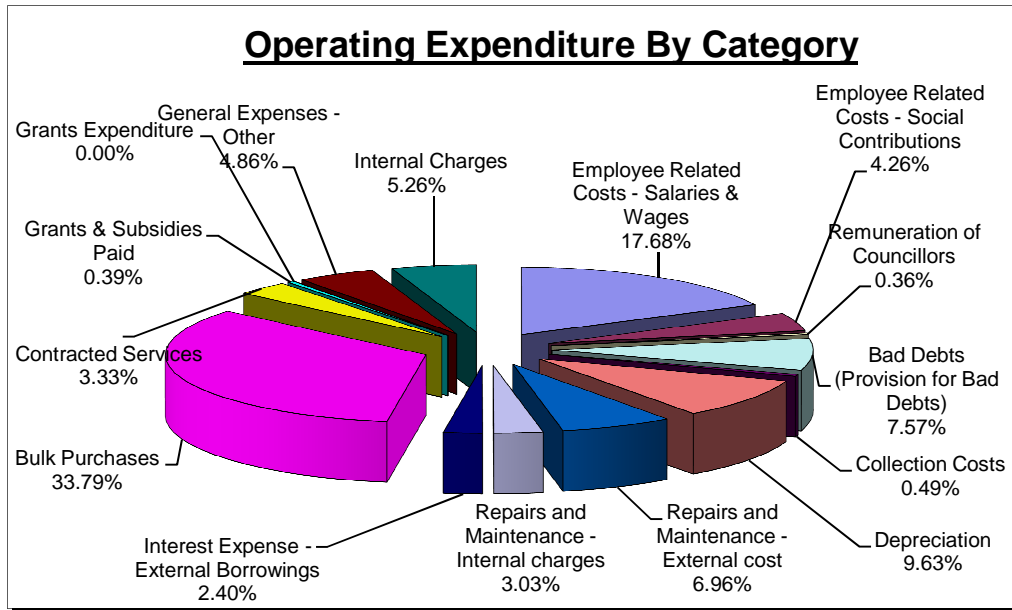
- 8,5% salary increase
- R50m for additional posts

The total amount budgeted remains within the guideline of 30% of total operating budget.

The **Repairs and Maintenance** budget was increased by 21% to adequately provide for the maintenance of Council owned assets. It also includes an amount of R100 million for the cost of sanitation in informal settlements.

The **Depreciation** budget increased due to the municipality adjusting the carrying amount of infrastructure assets to the depreciated replacement value thereof. It was done to comply with the requirements of GRAP 17 to recognise infrastructure assets into its separately identifiable components. Depreciation was increased as part of the 2009/10 adjustments budget showing a year-on-year increase to 2010/11 of 10,2% when compared to the adjusted budget. The increased depreciation is being phased in over a ten year period for tariff setting purposes (with 2008/09 as year one and 2017/18 as year ten).

The relative categories of the expenditure are reflected in the following graph:



3.2.2 Comparative Tariffs

Service	Service Category	Tariff 2009/10	Tariff 2010/11	Comments
Assessment Rates	Residential Rate in the Rand	0.006c	0.0066c	
Water - Residential	0 – 6 kl / month	R0.00	R0,00	Any premises zoned "Residential 1" and which is used exclusively for residential purposes, is regarded as one residential unit.
	7 – 15 kl / month	R6.52	R7,40	
	16 – 30 kl / month	R7,97	R9,00	
	31 – 45 kl / month	R9,76	R11,10	
	46 – 60 kl / month	R10,15	R11,50	
	61 or more kl / month	R11,26	R12,70	
Water - Informal Settlements		R0,00	R0,00	This item is applicable in cases where stands and/or dwelling units are supplied by means of a standpipe (no stand connection available)
Water - Business	0 – 200 kl / month	R9,48	R10,78	Business, commercial, industrial, government, mining, private schools, crèches, sport clubs, private hostels, clinics.
	201 – 1 000 kl / month	R9,14	R10,35	
	1 001 – 2 500 kl / month	R8,92	R10,10	
	2 501 – 5 000 kl / month	R8,53	R9,65	
	5 001 – 2 5000 kl / month	R8,31	R9,40	
	25 001 – 50 000 kl /	R7,92	R8,95	

	month			
	50 001 or more kl / month	R7,69	R8,70	
Sewerage - Residential	0 – 6 kl / month	R 0,00	R 0,00	
	7 – 15 kl / month	R4,66	R5,64	
	16 – 30 kl / month	R1,93	R2,34	
	31 – 45 kl / month	R1,76	R2,14	
	46 – 60 kl / month	R1,70	R2,07	
	61 or more kl / month	R0,62	R0,76	
Sewerage – Informal Settlements		R0,00	R0,00	
Sewerage - Business	0 – 200 kl / month	R5,06	R6,12	
	201 – 1 000 kl / month	R3,98	R4,81	
	1 001 – 2 500 kl / month	R2,33	R2,82	
	2 501 – 5 000 kl / month	R1,14	R1,38	
	5 001 – 25 000 kl / month	R1,02	R1,24	
	25 001 – 50 000 kl / month	R0,97	R1,16	
	50 001 or more kl / month	R0,51	R0,62	
Solid Waste - Residential	0 - 300 m ²	R53,57	R61,61	Per Stand Size
	301 - 600 m ²	R62,58	R71,97	
	601 - 900 m ²	R69,52	R79,95	
	901 - 1200 m ²	R76,48	R87,95	
	1201- 1500 m ²	R88,06	R101,27	
	1501- 2000 m ²	R99,64	R114,59	
	2 000 m ² +	R112,22	R127,90	
Solid Waste – Informal Settlements		Free of charge	Free of charge	
Solid Waste - Residential	240 l Bins	R53,57	R61,61	Per Bin
Solid Waste – Flats / Townhouse complexes	1 x per week	R58,93	R67,77	Per Unit
	2 x per week	R111,85	R135,54	Per Unit
Solid Waste - Institutions		Domestic tariff equal to the 301 – 600 m ² stand size.	Domestic tariff equal to the 301 – 600 m ² stand size.	This tariff will apply to charity organisations after submission of proof of registration as a Welfare Organisation, and will include: registered schools, crèches and churches.
Business refuse removal: 85 l container	1 x per week	R126,30	R145,25	Three 85 litre bin liners or part thereof or 1 x 240 litre bin of refuse or part thereof will constitute one business refuse removal service.
	2 x per week	R252,60	R290,50	
	3 x per week	R378,90	R435,75	
	4 x per week	R505,20	R581,00	
	5 x per week	R631,50	R726,25	
	6 x per week	R757,80	R871,50	

240 l container	1 x per week	R160,74	R184,85	
	2 x per week	R321,48	R369,70	
	3 x per week	R482,22	R554,55	
	4 x per week	R642,96	R739,40	
	5 x per week	R803,70	R924,25	
	6 x per week	R964,44	R1 109,10	
660 l container	1 x per week	R482,21	R554,54	
	2 x per week	R964,42	R1 109,08	
	3 x per week	R1 446,63	R1 663,62	
	4 x per week	R1 928,84	R2 218,16	
	5 x per week	R2 411,05	R2 772,70	
	6 x per week	R2 893,26	R3 327,24	
900 l container	1 x per week	R642,91	R739,35	
	2 x per week	R1 285,82	R1 478,70	
	3 x per week	R1 928,73	R2 496,96	
	4 x per week	R2 571,64	R2 957,40	
	5 x per week	R3 214,55	R3 696,75	
	6 x per week	R3 857,46	R4 436,10	
1 100 l container	1 x per week	R723,64	R832,19	
	2 x per week	R1 447,28	R1 664,38	
	3 x per week	R2 170,92	R2 496,57	
	4 x per week	R2 894,56	R3 328,76	
	5 x per week	R3 618,20	R4 160,95	
	6 x per week	R4 341,84	R4 993,14	
Litter picking levy		R0,02 per m ²	R0,04 per m ²	At all business and industrial zoned erven where a scheduled litter picking service is provided at least once per week, with a maximum of R 900,00 per month.
Electricity Tariffs – Tariff A (Domestic)	Free Basic Electricity for domestic consumer	100 kWh - Nil	100 kWh - Nil	This tariff is available for single-phase 230 V and multi-phase 400/230 V connections with a capacity of up to 60 A per phase. This tariff will suit low consumption domestic and micro business customers. Residential customers using in excess of 2 500 kilowatt-hour units per month are not allowed on this tariff.
	kWh – Summer	80,8 c	99,9 c	
	kWh – Winter	97,3 c	R1,2042	
Additional charges in c/kWh	Repayment of: -Electricity connection only.	Nil	4,40c	
	-Readyboard only.	Nil	3,70c	
	-Connection and readyboard	Nil	8,10c	
Electricity Tariffs – Tariff B	A fixed charge, whether electricity is consumed or not, per month, per point of supply, excluding prepayment metering customers	R 13, 50	R18,23	This tariff is available for single-phase 230 V and multi-phase 400/230 V connections with a capacity of up to 150 A per phase or 100 kVA. This tariff is not available for medium and high voltage customers. This tariff will suit medium to high consumption residential and small business customers.
	A capacity charge, whether electricity is consumed or not, per Ampere of supply capacity, per month, per point of supply	R1,57	R2,03	

	If the electricity consumption is displayed on the internet, an additional monthly charge	R 250, 00	R200,00	
	Fixed Charge	R1,57 per ampere	Nil	
	kWh – Summer	54,5c	68,58c	
	kWh – Winter	69,0c	87,21c	
	A consumption charge, per metering point, per kWh consumed during any meter reading period for residential consumption only, higher than 2 000 kWh units per month:	R 1, 00	R 1, 50	
Electricity Tariffs – Tariff C	Fixed Charge 1	R 580.00	R 769,50	This tariff is available for bulk supplies at any voltage and with a capacity of at least 25 kVA. This tariff will suit large residential, business and industrial customers. This tariff is for existing Tariff C customers only, no new customers will be allowed on this tariff. This tariff is not available for high voltage customers (supply voltage exceeding 11 kV)
	Fixed Charge 2	R 770.00	R1 080.00	
	Fixed Charge 3	R1 500.00	R1 960.00	
	kWh – Summer	24,00c	New tariff structure	
	kWh – Winter	38,25c	New tariff structure	
	kVA – Summer	R84,54	New tariff structure	
	kVA – Winter	R102,28	New tariff structure	
	Network access charge	R13,50	New tariff structure	
	If the electricity is supplied at 230/400 V	12 %		A surcharge on the kWh, demand and network access amounts according to the voltage at which the electricity is supplied:
	If the electricity is supplied at 230/400 V, directly from a substation	10%		
	If the electricity is supplied at a voltage higher than 230/400 V but not exceeding 11 kV	8 %		
	If the electricity is supplied at a voltage higher than 11 kV	0 %		

Electricity Tariffs – Tariff D	Fixed Charge 1	R580.00	R769,50	This tariff is available for bulk supplies at any voltage and with a capacity of at least 100 kVA. This tariff will suit large residential, business and industrial customers.
	Fixed Charge 2	R770.00	R1 080.00	Note: No free basic electricity is available on this tariff.
	Fixed Charge 3	R1,500.00	R1,960.00	
	kWh – Summer (peak)	43.62c	New tariff structure	
	kWh – Summer (standard)	33.75c	New tariff structure	
	kWh – Summer off peak)	29.00c	New tariff structure	
	kWh – Winter (peak)	R1.18	New tariff structure	
	kWh – Winter (standard)	45.00c	New tariff structure	
	kWh – Winter (off peak)	33.10c	New tariff structure	
	Network access charge	R13.50	New tariff structure	
	kVA – Summer	R23.11	New tariff structure	
	kVA – Winter	R23.11	New tariff structure	
	Voltage Rebate 400V	tariff structure changed	New tariff structure	
	Voltage Rebate 11kVA	tariff structure changed	New tariff structure	
	Voltage Rebate > 11 kVA	tariff structure changed	New tariff structure	
	Load Factor Rebate 90% +	tariff structure changed	New tariff structure	
	Load Factor Rebate 80% +	tariff structure changed	New tariff structure	
	Conversion Surcharge 1st year	No surcharge	New tariff structure	
	Conversion Surcharge 2nd year	No surcharge	New tariff structure	
	Conversion Surcharge 3rd year	No surcharge	New tariff structure	
	Conversion Surcharge 4th year	No surcharge	New tariff structure	
	Conversion Surcharge 5th year	No surcharge	New tariff structure	
A surcharge on the kWh, demand and network access amounts according to the voltage at which the electricity is supplied	If the electricity is supplied at 230/400 V	12 %	New tariff structure	
	If the electricity is supplied at 230/400 V, directly from a	10%	New tariff structure	

	substation			
	If the electricity is supplied at a voltage higher than 230/400 V but not exceeding 11 kV	8 %	New tariff structure	
	If the electricity is supplied at a voltage higher than 11 kV	0 %	New tariff structure	
A rebate on the kWh and demand amounts according to the following criteria: If a customer implemented an energy efficiency and/or demand side management system that will result in a proven annual saving of 15% or more on the pre-implementation baseline consumption. A detailed report certifying the aforementioned is to be submitted to the General Manager: Electricity and Energy for approval before this rebate will be considered. The rebate will be valid for a period equal to 12 months, or until the current set of tariffs lapses, whichever comes first. Further conditions will apply. In the case of any nationally implemented incentive or penalty tariff system, this portion of the tariff will no longer be applicable.		1 %	New tariff structure	
Electricity Tariffs – Tariff G	An energy charge surcharge on the applicable tariff, per kWh consumed	30,0 c	40,0 c	This tariff will be suitable for the purchase of “green” electricity, if available. Note 1: Customers will be required to contract for the clean power for a period of time. Note 2: Customers will receive a certificate that the power supply is green, for a period of time equal to the contract period and for a particular portion, or the entire supply.

New tariff C structure: Applicable to 2010/11 tariffs

Demand Charge (Rand/kVA)						
C.2. A demand charge , per kVA registered, per month, per point of supply:						
C.2.1. High Demand Season (June, July and August)				C.2.2. Low Demand Season (September to May)		
Voltage		VAT exclusive		Voltage		VAT exclusive
C.2.1.1.	230/400 V	R154.51		C.2.2.1	230/400 V	R123.98
C.2.1.2.	230/400 V, direct from substation	R151.75		C.2.2.2	230/400 V, direct from substation	R121.77
See note 2				See note 2		
C.2.1.3.	>230/400V & <= 11kV	R148.99		C.2.2.3	>230/400 V & <= 11kV	R119.56

C.2.1.4.	>11kV	R137.96		C.2.2.4	>11kV	R110.70	
Network Access Charge (NAC) (Rand/kVA)							
C.2.3. A network access charge , per kVA registered, based on the highest demand registered over a rolling 12 month period, during all hours.				C.2.3.a. On a standby supply, in cases where the use of the supply may have an effect on Council's own demand payable, the network access charge will be levied at the full installed capacity of the connection.			
Voltage		VAT exclusive					
C.2.3.1	230/400 V	R20.41					
C.2.3.2.	230/400 V, direct from substation	R20.05					
See note 2							
C.2.3.3.	>230/400V & < = 11kV	R19.68					
C.2.3.4.	>11kV	R18.23					
<p>C.2.3.5. Eskom NMD charges. Where an Ekurhuleni customer requests an increase in notified maximum demand (NMD) at a direct Eskom point of delivery, the customer NAC shall be deemed equal to the NMD from the date that the additional capacity is made available by Eskom. Existing cases will be dealt with on an individual basis. Ekurhuleni reserves the right to evaluate any requested increase in the NMD at any Eskom point of delivery. If the NMD is exceeded, NAC charges will prevail. Eskom penalty rates for exceeding NMD will be charged to the customer, as outlined in the Eskom document titled: <i>Notification of demand or changes to notified maximum demand rules, latest revision</i>, at the Ekurhuleni NAC rate.</p> <p>A request for an increase or decrease in NMD by a customer will be made to Ekurhuleni and Ekurhuleni will, after consideration, agree or not agree to increase or decrease the NMD.</p> <p>Note: Eskom, if in agreement, may still continue charging the higher NMD for a period of 12 months and this will be passed on to the customer.</p> <p>Note: Where an Ekurhuleni customer requests an increase in capacity affecting any Eskom point of delivery, monthly NMD costs incurred may be charged to the customer if the full capacity is not taken up immediately.</p>							
Off-peak option							
C.2.4. The off-peak option remains available for existing off-peak customers from 21:00 to 07:00 on weekdays and from 14:00 on Fridays to 07:00 on Mondays and from 21:00 on 15 December to 07:00 on 02 January. The network access charge will be levied on the highest demand registered over a rolling 12 month period, as per C.2.3.							
Energy Charge (c/kWh)							
C.3. An energy charge, per kWh consumed:							
C.3.1. High Demand Season (June, July and August)				C.3.2. Low Demand Season (September to May)			
Voltage		VAT exclusive		Voltage		VAT exclusive	
C.3.1.1	230/400 V	R0.56, 51		C.3.2.1	230/400 V	R0.35, 23	
C.3.1.2.	230/400 V, direct from substation	R0.55, 50		C.3.2.2	230/400 V, direct from substation	R0.34, 60	
See note 2				See note 2			
C.3.1.3.	>230/400 V & < = 11kV	R0.54, 49		C.3.2.3	>230/400 V & < = 11kV	R0.33, 97	
C.3.1.4.	>11kV	R0.50, 46		C.3.2.4	>11kV	R0.31, 46	

additional capacity is made available by Eskom. Existing cases will be dealt with on an individual basis. Ekurhuleni reserves the right to evaluate any requested increase in the NMD at any Eskom point of delivery. If the NMD is exceeded, NAC charges will prevail. Eskom penalty rates for exceeding NMD will be charged to the customer, as outlined in the Eskom document titled: *Notification of demand or changes to notified maximum demand rules, latest revision*, at the Ekurhuleni NAC rate.

A request for an increase or decrease in NMD by a customer will be made to Ekurhuleni and Ekurhuleni will, after consideration, agree or not agree to increase or decrease the NMD.

Note: Eskom, if in agreement, may still continue charging the higher NMD for a period of 12 months and this will be passed on to the customer.

Note: Where an Ekurhuleni customer requests an increase in capacity affecting any Eskom point of delivery, monthly NMD costs incurred may be charged to the customer if the full capacity is not taken up immediately.

Energy Charge (c/kWh)

D.3. An energy charge, per kWh consumed:

D.3.1. High Demand Season (June, July and August)

Voltage		Peak		Standard		Off-Peak		
		VAT exclusive		VAT exclusive		VAT exclusive		
D.3.1.1	230/400 V	R1.73, 64		D.3.1.5.	R0.66, 56		D.3.1.9	R0.48, 74
D.3.1.2	230/400 V, direct from substation See note 2	R1.70, 54		D.3.1.6.	R0.65, 38		D.3.1.10	R0.47, 87
D.3.1.3	>230/400V & ≤ 11kV	R1.67, 44		D.3.1.7.	R0.64, 19		D.3.1.11	R0.47, 00
D.3.1.4	>11kV	R1.55, 04		D.3.1.8.	R0.59, 43		D.3.1.12	R0.43, 52

D.3.2. Low Demand Season (September to May)

Voltage		Peak		Standard		Off-Peak		
		VAT exclusive		VAT exclusive		VAT exclusive		
D.3.2.1	230/400 V	R0.65, 32		D.3.2.5.	R0.50, 50		D.3.2.9.	R0.43, 39
D.3.2.2	230/400 V, direct from substation See note 2	R0.64, 15		D.3.2.6.	R0.49, 60		D.3.2.10	R0.42, 62
D.3.2.3	>230/400 V & ≤ 11kV	R0.62, 99		D.3.2.7.	R0.48, 70		D.3.2.11	R0.41, 84
D.3.2.4	>11kV	R0.58, 32		D.3.2.8.	R0.45, 09		D.3.2.12	R0.38, 75

Energy Efficiency Rebate (c/kWh)

D.5. A **rebate** on the kWh and demand amounts according to the following criteria:

D.5.1. If a customer implemented an energy efficiency and/or demand side management system that will result in a proven annual saving of 15% or more on the pre-implementation baseline consumption. A detailed report certifying the aforementioned is to be submitted to the General Manager: Electricity and Energy for approval before this rebate will be considered. The rebate will be valid for a period equal to 12 months, or until the current set of tariffs lapses, whichever

comes first. Further conditions will apply. In the case of any nationally implemented incentive or penalty tariff system, this portion of the tariff will no longer be applicable.

Rebate value: 1%

Note 1: Demand registered during off-peak hours will not be taken into account when calculating the demand charge payable.

Note 2: The “230/400 V direct from substation” tariff will only be applied to a low voltage customer who has:

- paid for the full transformer capacity, and
- take this supply within 10 meter from the transformer, i.e. the meter inside the transformer enclosure or within 10 meter from this enclosure.

Note 3: A newly established site may be exempted from demand charges for a limited period in order to conclude installation tests, upon prior application to the General Manager: Electricity and Energy. Conditions will be attached in the case of favourable consideration.

Note 4: Concession – When the user entity is a nonprofit organization registered in terms of the provisions of the Nonprofit Organizations Act, Act 71 of 1997, for the following specific purposes:-

- the care of old people;
- the care of children;
- the care of the physically or mentally handicapped,

the **network access charges** will not be applied. To qualify for this concession, an application, with supportive documents, need to be made to the General Manager: Electricity and Energy for consideration.

Note 5: For the purposes of this tariff:

Peak Hours will be from 07:00 to 10:00 and 18:00 to 20:00 on weekdays.

Standard Hours will be from 06:00 to 07:00, 10:00 to 18:00 and 20:00 to 22:00 on weekdays and from 07:00 to 12:00 and 18:00 to 20:00 on Saturdays.

Off-peak Hours will be from 22:00 to 06:00 on weekdays, 12:00 to 18:00 and 20:00 to 07:00 on Saturdays and all of Sundays.

A public holiday falling on a weekday will be treated as a Saturday. An unexpectedly announced public holiday will be treated as the day of the week on which it falls.

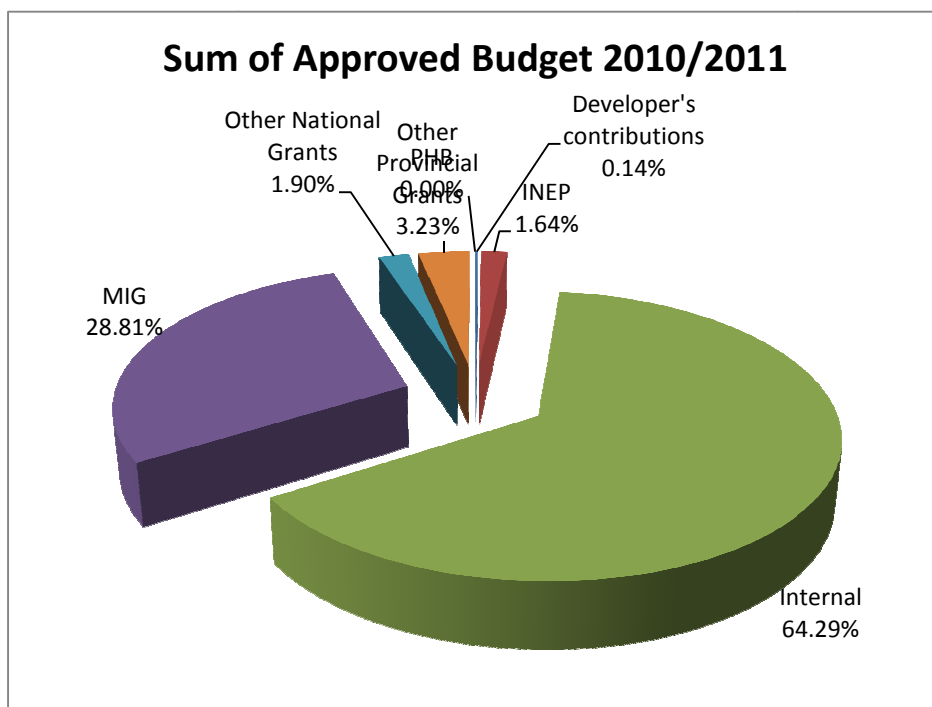
Note 6: No free basic electricity is available on this tariff, apart from the entities and individuals specified in the Free Basic Electricity Policy. Conditions apply.

3.2.3 Capital Budget

The capital budget has decreased to approximate R1.98 billion compared to the 2009/10 capital budget. New funding for capital of approximately R1.1 billion per year will be generated by issuing bonds in the next three financial years. In addition to this, external grants of approximately R650 million per year are included in this budget. As in previous years, the Municipal Infrastructure Grant (MIG funding) funds the bulk of the externally funded projects.

The 2010/2011 budget will be funded as follows:

External Grants – R 653.7 million
Internal Funds – R 1 322.9 million

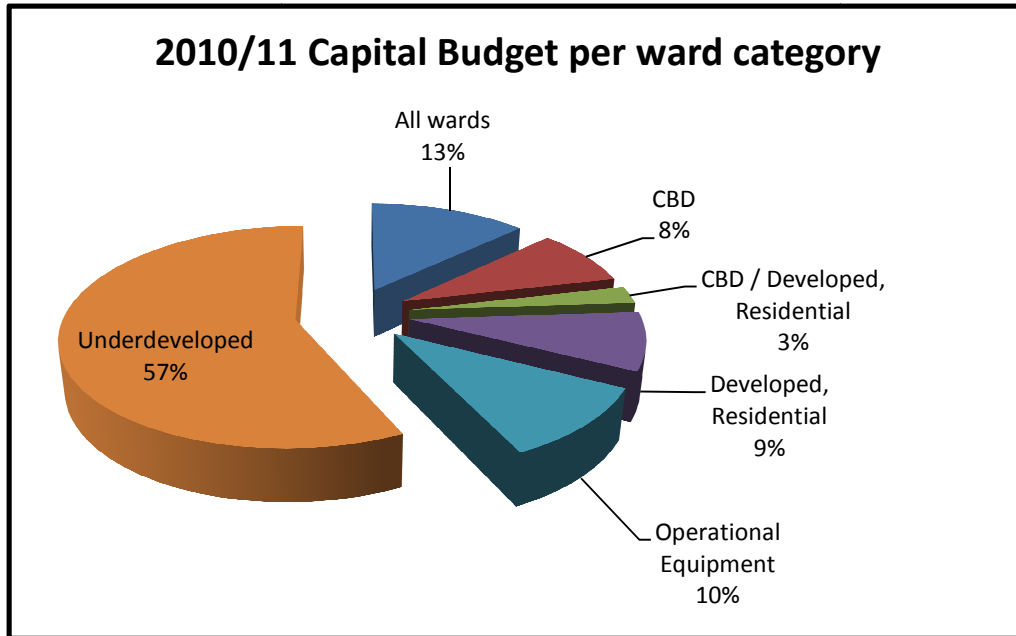


The capital budget, unlike the operating budget, can be categorised per ward to clearly identify what portion of the budget is spent in which ward category. This provides information to the various stakeholders on what they can expect as budget allocations. Wards are categorised as follows:

- Underdeveloped Wards
- Developed, Residential
- Developed, Industrial/Commercial/CBD
- Mixed Wards
- Multi-Wards

Mixed wards are wards where there are combinations of underdeveloped areas, residential, commercial or CBD areas.

Multi-wards are projects which are implemented in more than just one ward. Where possible, the wards are classified in terms of the majority of wards that will benefit from the project. Similarly, the capital budget is categorised to illustrate what amounts are spent on the issues



The following amounts, per area, will be spent in Ekurhuleni during 2010/11:

CCA	Ward Category	Budget 2010/2011
Alberton	CBD	23,000,000
	CBD / Developed, Residential	600,000
	Developed, Residential	12,000,000
Benoni	Underdeveloped	20,200,000
	All wards	100,000
	CBD	41,000,000
	CBD / Developed, Residential	6,710,000
Boksburg	Developed, Residential	37,850,000
	Underdeveloped	70,329,000
	CBD	10,800,000
	CBD / Developed, Residential	4,500,000
Brakpan	Developed, Residential	14,000,000
	Underdeveloped	24,650,000
	CBD	1,500,000
	CBD / Developed, Residential	10,000
Corporate	Developed, Residential	33,821,900
	Underdeveloped	63,000,000
	All wards	255,225,000
	Developed, Residential	500,000

	Underdeveloped	224,450,000
Daveyton	Underdeveloped	24,783,263
Duduza	Underdeveloped	18,164,843
Edenvale	CBD / Developed, Residential	4,550,000
	Developed, Residential	24,280,000
Etwatwa	Underdeveloped	21,061,211
Furniture	Operational Equipment	11,486,860
Germiston	All wards	1,000,000
	CBD	46,280,000
	CBD / Developed, Residential	9,650,000
	Developed, Residential	12,100,000
	Underdeveloped	13,500,000
ICT Equipment	Operational Equipment	13,201,738
Katlehong	Underdeveloped	55,316,274
Katlehong 2	Underdeveloped	103,415,096
Kempton Park	All wards	400,000
	CBD	28,017,000
	CBD / Developed, Residential	6,000,000
	Developed, Residential	19,250,000
	Underdeveloped	37,445,000
Kwa-Thema	Underdeveloped	87,572,472
Nigel	CBD / Developed, Residential	8,398,065
	Developed, Residential	1,500,000
	Underdeveloped	4,500,000
Other Equipment	Operational Equipment	6,120,290
Specialized Equipment	Operational Equipment	34,370,000
Specialized Vehicles	Operational Equipment	103,150,000
Springs	CBD	12,165,000
	CBD / Developed, Residential	10,055,536
	Developed, Residential	13,000,000
	Underdeveloped	47,200,000
Tembisa	All wards	500,000
	Underdeveloped	109,671,255
Tembisa 2	CBD	2,500,000
	Underdeveloped	36,728,526
Thokoza	Underdeveloped	50,700,912
Tsakane	Underdeveloped	59,560,335
Vehicles	Operational Equipment	38,695,000
Vosloorus	Underdeveloped	56,007,298
Grand Total		1,976,541,874

3.3 Past performance, financial and annual report outcomes

This 2008/09 financial year was characterised by vast changes within the municipality, both politically and within the administration. However, significant challenges were met and the Metro has recorded some of its greatest achievements during the year.

The Ekurhuleni Metropolitan Municipality has made history by spending in excess of R2.5 billion on capital projects in the 2008/09 financial year – an amount that represents about 90% of the budget. This is the highest spending (both in terms of rand and percentage of budget spent) that the Metro has ever achieved in its eight-year history.

The housing Migration Plan has been reviewed to address the backlog on the waiting list, informal settlements and hostels as well as mixed income housing pockets on Council owned land to be put out to public tender, which will address the overflow from the informal settlements not qualifying for subsidised housing.

Chief Albert Luthuli Park Extension 6 is a "Flagship Project" with reference to being a mixed housing development. A total of 964 houses were completed up to 30th June 2009.

EMM set a target of 13 500 serviced stands as part of its eradication of informal settlements program. The actual serviced stands delivered was 13 713. A total number of 8 180 houses were constructed during the 2008/09 financial year.

The installation of electricity at the Egoli Village has been completed and electricity has been installed to 268 stands. The restitution of the electrical network in Kwa-Thema (3 524 stands) are in the last phase of completion with the monthly income at approximately R2 million.

The Municipal Services Call Centre has been implemented (086 054 3000) in all wards. The Radio Link between the Ekurhuleni Metropolitan Municipality and the Services Call Centre has been established.

The following new electrification projects and programmes were implemented:-

- Electrification of 3 810 stands in Langaville Extension 1, Extension 2 and Extension 8 amounting to R54 million
- Electrification of 653 stands in Esselen Park amounting to R15 million
- Electrification of 1 797 stands in Palm Ridge amounting to R29 million
- The Electricity and Energy Department and the Housing Department are in the process of converting the supply of electricity in respect of rental housing stock to pre-payment metering. Other energy efficiency projects are also investigated and solar geysers have already been installed at the Khutsong Hostel.

A total of 560 protective structures to electricity meters have been installed against the projected 500 protective structures for the 2008/2009 financial year. Thirty six kilometres of street lighting has been provided against the targeted twenty four kilometres.

Free basic electricity is provided to all Ekurhuleni Tariff A consumers. These consumers receive 100 free basic electricity units complying with the minimum standard of 50 free basic electricity

units. A total of 8 738 households have been provided with electricity supply connections against the target of 7 000.

Water Conservation/Water Demand Management (WC/WDM) in Ekurhuleni started in earnest in July 2007. EMM undertook seven WC/WDM sub-projects. The most important of these sub-projects was the establishment of a Management Information System (MIS). The target for Ekurhuleni, as determined by DWAF, is to reduce the total water demand (bulk purchases from Rand Water) by at least 15% within five years.

The water Services Division has obtained a “*Blue Drop Certification*” for its excellent management and maintenance of the service being rendered to the communities. Various criteria have been evaluated to achieve 96% for this award, whereas this reflects that EMM came second throughout the whole of South Africa.

EMM has undertaken to eliminate the backlog of gravel roads by 2015 through the turnkey programme termed Fak’imali Uzobona which was initiated in 2004. To date just over a billion rand has been spent on the construction of roads and stormwater. The achievement of this programme can be summarized as follows:

- Kilometres of roads constructed -251Km
- Number of streets completed -106
- Kilometres of stormwater constructed –84Km
- Number of jobs created –3745
- Number of local subcontractors – 138
- Number of people with accredited training -1 650
- Number of people with non-accredited training –3500

The contract created jobs for 1 731 adult males, 1 922 young males, 800 adult females, 512 young females and 42 people with disabilities.

The following are the achievements with regards waste management:

- Provision of additional air space for disposal
- Improvement of the health of citizens through prevention, monitoring, controlling and reduction of environmental pollution - Rolling out of the 240Litre refuse bins in Duduza and Nigel areas.
- Provision of clean environment through the elimination of illegal dumping - A total of more than 100 illegal dumping hot spot areas have been cleaned.
- A total of more than 20 000 additional number of previously formal and informal un-serviced points serviced.

Food safety - The aim with this strategic objective was to ensure compliance with tobacco legislation in food premises. A target of 5 114 premises was set and is reflected as having been achieved. The second aim was to ensure that about 512 food premises were issued with certificates of acceptability. This target was also achieved.

All backlogs in grass cutting have been addressed. Tree planting - the target of 10 200 trees (fruit trees and ornamental trees) to be planted has been reached. Safety and security at parks -

alarms and CCTV cameras have been installed at South Park Depot, Vosloorus, Brakpan, Springs, Bedfordview, Primrose, Edenvale Depots as well as Pumulani Cemetery.

The Metro Parks Division was awarded a silver medal at the Gardenex Show in Randburg during April 2009 and was awarded a silver medal at the Sunday Tribune Exhibition in Pietermaritzburg.

The construction of Phomolong, Vosloorus and Olifantsfontein Libraries is in progress. Phomolong library will be completed in January 2010. Various libraries and community facilities were upgraded.

The utilization of Sport, recreation, Arts and Culture programmes to enhance social cohesion led to 30 010 community members participating in the library educational and development programs and events. These events had aimed to promote a culture of reading.

A Successful Pass-Out Parade for 59 Emergency Services Learnership was held where a total of 13 newly procured Emergency Services vehicles were handed-out.

The Emergency Services received a total of 7 new ambulances from GPG Health to replace those were involved in an accidents. These enabled the Emergency Services Division to improve service delivery and response times. The Etwatwa Fire Station has been completed.

A total of more than 500 vehicles were delivered to EMPD in 2008/09 Financial Year and a total of more than 400 Trainee MPO's graduated between December 2008 and June 2009.

A new Driver's and Learner's Testing Centre (DLTC) office was opened at the Edenvale CCC.

Primary health care services were rendered in different categories of primary health care facilities. Ekurhuleni currently has seven Community Health Centres (CHC) which include Midwife Obstetric Units. All the Midwife Obstetric Units are operational 24-hours a day. Extended Service Hours were rendered at selected PHC facilities.

A total of 4 226 078 patients attended the PHC facilities during the 2008/09 financial year which was 17% higher than the attendance of 3 500 348 for the previous year. The number of TB Patients that were cured was 4 328 patients. The TB Cure Rate improved from 79.8% to 85,6% in the year under review.

A total of children 52 212 under one year of age were immunized fully according to the National Immunisation Schedule. This was a 10% increase from the previous year when 47 214 children were fully immunized. The number of clients tested for HIV during the year in review was 147 643

Twenty one Campaigns were conducted on chronic diseases and healthy lifestyles and 7 860 people were reached. This indicated a significant increase from the previous year when seventeen campaigns were conducted and 6 937 people reached.

Fifty three Campaigns were conducted targeting women and children. A total of 7 525 people were reached. These campaigns focused on reproductive health, cancer prevention, immunization and healthy babies.

Four HIV/AIDS Campaigns were held which reached 273 307 people to celebrate the World AIDS Day Celebration. With the focus on children, a total of 220 community members were trained as Early Childhood Development (ECD) Practitioners.

There was a significant improvement with regards to the alignment of the Growth and Development Strategy (GDS) 2025, the IDP and Budget. The establishment of the Customer Care Centres (CCCs) also contributed positively towards improving customer care and Batho Pele. The majority of backlogs with regard to land and city development applications were processed.

A number of new City Development Inspectors were appointed and all the Inspectors in the Metro have undergone Peace Officer Training. The review of delegated powers in the City Development department ensured the speeding up of the approval of applications. To fast track the Land Use applications, some Local Spatial Development Frameworks (LSDF's) have been approved by the City Development Portfolio. A densification strategy was also approved by the City Development Portfolio.

The following was achieved with regards Economic Development:

- Two new informal trading facilities built
- 48 agricultural co-ops formed and up to 300 food gardens co-ordinated
- Hosting of agricultural conference
- Agricultural hub launched for both Ekurhuleni and Ekungwini
- Fabrication laboratory completed
- Etwatwa industrial hive completed
- Oakmore trader facilities completed
- EPWP - 241 jobs created and Job placement Centre - 277 placements
- 100 Recognition of prior learning beneficiaries being processed.

The Ekurhuleni Metropolitan Municipality's was awarded the following Credit Rating by Global Credit Rating Company in 2009:

- Short term credit rating A1+
- Long term credit rating AA

The Ekurhuleni Metropolitan Municipality was also awarded an Aa2.za rating from Moody's Investor Services for 2009.

The 2008/09 financial year was the first year in Ekurhuleni's history that unqualified audit opinions were achieved for all of the companies within the Ekurhuleni group. The companies within the group include the Ekurhuleni Metropolitan Municipality, the Brakpan Bus Company, Ekurhuleni Development Company as well as the East Rand Water Care Company.

Since the amalgamation of the former East Rand Towns, transformational and control challenges as well as the added requirement to meet the newly approved Generally Recognised Accounting Practices kept the highly sought after unqualified audit report out of the grasp of Ekurhuleni.

As part of Operation Clean Audit launched by the Metro a few years ago, the huge challenges were tackled one by one. An integrated asset register detailing all the various components of

the massive infrastructure backbone of the metro were recorded and the condition of those assets assessed. Benefits of this include not only a thumbs up from the auditors, but also the availability of better quality information to guide the Metro's maintenance budgets towards the assets most in need of upgrading. For the first time, the balance sheet reflects the true replacement cost of more than thirty billion rand, emphasising the magnitude of the Metro's operations.

Other projects implemented during the past few years included a full audit of all meters in the Metro and alignment of these meters to the billing system. A full reconciliation between the valuation roll and the billing system was conducted and we are now confident that all properties are valued and billed according to the Municipal Property Rates Act. Business Processes related to the billing of metered services and the raising of assessment rates were revised and electronic workflow systems introduced to ensure strict compliance to the processes.

The myriad of new accounting standards introduced over the last number of years (starting with Generally Accepted Municipal Accounting Practices which evolved into the Generally Recognised Accounting Practices) took financial management to a whole new level. The initial accounting reform process started with only the main accounting standards, moving towards the current full compliance with all international accounting standards.

The partnership between the Metro, the Department of Local Government and the South African Institute of Chartered Accountants yielded excellent results. The Chartered Accountants working with the Metro provided meaningful insight into the new accounting regime and systems are now in place to satisfy modern financial reporting requirements. The ongoing oversight and leadership provided by the EMM Strategic Management Team as well as the Finance Portfolio Committee and Municipal Public Accounts Committee ensured that the milestones set were rigorously monitored until achieved.

The implementation of the Municipal Property Rates Act, was a further milestone achieved by the Metro. There were only 16 556 objections against the main valuation roll, which comprises 2.7% of the roll. A total 606 751 properties included in the General Valuation roll which included the Sectional Title units and PSI properties.

Bursaries were awarded to 126 learners to address scarce skills and 5 Learnership Programmes for employees and community members were implemented. The roll-out of the Institutional Review Process has been commenced with. All Departmental structures have been finalised and approval is dependent on the process of consultation with labour. Two Wellness Centres were established and one wellness centre will be completed in the first month of the ensuing financial year.

EMM implemented aerial and underground fibre optic infrastructure. Twenty broadband connectivity sites have been commissioned so far. The broadband wireless coverage within Ekurhuleni boundaries has rapidly increased from 55% to 85% over the past year.

Wireless Infrastructure now consist of 37 Base station Hi-Sites providing connectivity to over 200 Ekurhuleni end-points. Bandwidth capacity to all Hi-sites has been increased from 54 to 100Mbps greatly enhancing the end-user experience and improving the Metro's operational efficiency. Network expansion was designed to NGN standards and engineering activities were focused on providing appropriate and sustainable technology solutions.

Pilots of special interest completed this year included providing free high speed internet access to 10 schools and data connectivity to electrical sub-stations to facilitate live remote management.

The following are a few highlights of the Legal and Administrative Services function:

- A comprehensive Service Charter to be used as a yardstick in providing the proactive, professional and responsive support service has been compiled;
- The legal section has been re-aligned and numerous vacancies filled;
- Populating of a centralized Property Management System has begun which will greatly enhance data on all municipal owned properties;
- The Municipal Code is in the process of being updated to ensure that uniformed By-laws are in place for the whole of Ekurhuleni;
- A uniformed Record Keeping System has been rolled out to all Departments to ensure the safekeeping of all records generated;
- Higher than 75% success rate in legal actions that council is involved in;

Financial Results for the 2008/09 financial year were as follows:

Ekurhuleni Metropolitan Municipality Group

Group Annual Financial Statements for the year ended 30 June 2009

Statement of Financial Position

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2009	2009	2009	2008
ASSETS					
Current Assets					
Inventories	12	164,315,565	151,695,285	129,726,804	
Other Investments	8	66,435,247	66,435,247	133,996,620	
Current tax receivable		12,374	-	-	
Other receivables from exchange transactions	13	280,712,038	253,817,383	182,576,717	
Other receivables from non-exchange transactions	14	30,380,376	30,380,376	4,698,881	
Consumer debtors	15	1,171,446,935	1,171,446,935	1,171,340,513	
Current portion of long term receivables		37,905,936	37,905,936	67,897,103	
Cash and cash equivalents	16	1,078,370,517	1,064,929,949	2,318,386,504	
		2,829,578,988	2,776,611,111	4,008,623,142	
Non-Current Assets					
Investment property	4	116,855,910	73,790,971	73,790,971	
Property, plant and equipment (PPE)	5	39,283,500,493	38,546,950,092	37,933,630,387	
Intangible assets	6	4,303,773	3,690,931	1,204,737	
Investments in controlled entities	7	-	306	306	
Other Investments	8	281,270,213	279,217,804	248,101,833	
Deferred tax	10	228,737	-	-	
Long-term receivables		90,344,067	90,344,067	94,086,090	
		39,776,503,193	38,993,994,171	38,350,814,324	
Total Assets		42,606,082,181	41,770,605,282	42,359,437,466	
LIABILITIES					
Current Liabilities					
Current tax payable		335,442	-	-	
Trade and other payables from exchange transactions	22	2,056,120,629	2,046,304,412	1,578,024,406	
Deposits	23	375,734,022	373,154,192	337,898,451	
Unspent conditional grants and receipts	20	170,026,714	159,233,181	167,384,946	
Provisions	21	190,922,784	178,737,641	172,762,466	
Current portion of long-term liabilities	19	145,013,490	131,313,741	73,629,483	
		2,938,153,081	2,888,743,167	2,329,699,752	
Non-Current Liabilities					
Long-term liabilities	19	2,131,247,700	1,945,600,828	1,054,195,546	
Retirement benefit obligation	11	1,727,721	-	-	
Provisions	21	237,126,509	237,126,509	208,373,356	
Other long term liabilities		21,726,026	14,726,026	14,527,148	
		2,391,827,956	2,197,453,363	1,277,096,050	
Total Liabilities		5,329,981,037	5,086,196,530	3,606,795,802	
Net Assets		37,276,101,144	36,684,408,752	38,752,641,664	
NET ASSETS					
Net Assets Attributable to Net Asset Holders of Controlling Entity					
Share premium	17&17	7,442,007	-	-	
Fair value adjustment assets-available-for-sale reserve		1,519,738	-	-	
Accumulated surplus		37,249,696,173	36,684,408,752	38,752,641,664	
Minority interest		17,443,226	-	-	
Total Net Assets		37,276,101,144	36,684,408,752	38,752,641,664	

Ekurhuleni Metropolitan Municipality Group

Group Annual Financial Statements for the year ended 30 June 2009

Statement of Financial Performance

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2009	2009	2009	2008
Revenue					
Property rates	25	1,777,573,282	1,778,466,900	1,703,876,638	
Property rates - penalties and collection charges		108,131,850	108,131,850	38,036,624	
Service charges	26	6,169,562,635	6,199,973,948	5,380,215,944	
Rental of facilities and equipment	40	67,809,202	51,046,599	57,823,419	
Interest earned - outstanding debtors		424,504,456	422,540,814	446,171,662	
Fines		92,720,626	92,720,626	78,782,229	
Licences and permits		25,457,297	25,457,297	29,420,007	
Income from agency services		142,254,100	142,254,100	143,093,141	
Government grants and subsidies	27	2,494,966,818	2,477,039,068	2,062,157,751	
Other income		90,163,504	66,897,696	31,810,412	
Interest received - external investment	34	204,834,406	198,701,652	351,156,808	
Rendering of services		6,354,811	-	-	
Recoveries		2,401,068	-	-	
Dividends received	34	191,952	-	-	
Total Revenue		11,606,926,007	11,563,230,550	10,322,544,635	
Expenditure					
Employee related costs	31	(3,462,332,803)	(3,355,807,223)	(2,728,391,718)	
Remuneration of councillors	32	(58,716,685)	(58,716,685)	(53,387,900)	
Debt impairment	33	(1,455,388,042)	(1,453,564,993)	(1,328,566,591)	
Depreciation and amortisation	35	(1,933,452,850)	(1,907,231,388)	(402,733,881)	
Repairs and maintenance		(1,069,982,706)	(1,059,875,480)	(789,229,129)	
Finance costs	37	(209,220,680)	(181,818,209)	(180,080,453)	
Bulk purchases	43	(3,954,700,800)	(4,122,009,647)	(3,298,074,075)	
Contracted services	41	(555,731,328)	(561,560,314)	(494,995,579)	
Grants and subsidies paid	42	(53,740,403)	(53,830,991)	(51,566,324)	
General Expenses	29	(923,816,322)	(873,963,612)	(952,609,092)	
Impairment of assets	36	(1,828,880)	(1,559,532)	-	
Total Expenditure		(13,678,911,499)	(13,629,938,074)	(10,279,634,742)	
Gain on disposal of assets		5,275,393	5,275,393	6,497,487	
Deficit on disposal of assets		(6,868,357)	(6,800,784)	(31,652,079)	
Taxation	38	(1,026,929)	-	-	
(Deficit) surplus for the year		(2,074,605,385)	(2,068,232,915)	17,755,301	
Attributable to:					
Net Asset holders of the controlling entity		(2,074,427,968)	(2,068,232,915)	17,755,301	
Minority interest		(177,417)	-	-	

Ekurhuleni Metropolitan Municipality Group

Group Annual Financial Statements for the year ended 30 June 2009

Cash Flow Statement

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2009	2009	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers		10,065,424,935	10,103,020,555	8,960,522,153	
Cash paid to suppliers and employees		(10,017,148,494)	(10,096,982,816)	(8,570,033,898)	
Cash generated from operations	44	48,276,441	6,037,739	399,488,255	
Interest income		629,338,862	621,242,466	797,328,470	
Dividends received		191,952	-	-	
Finance costs		(209,220,680)	(181,818,209)	(180,080,453)	
Taxes on surpluses		(1,153,657)	-	-	
Net cash from operating activities		467,432,918	445,461,996	1,016,736,272	
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment (PPF)	5	(2,576,287,272)	(2,555,458,865)	(1,469,855,534)	
Proceeds from the sale of property, plant and equipment	5	6,369,538	6,072,855	6,497,487	
Purchase of other intangible assets	6	(2,755,431)	(2,755,431)	-	
Proceeds from financial assets		36,445,402	36,445,402	(7,710,643)	
Net movements in long term receivables - Current		29,991,167	29,991,167	1,526,285	
Net movements in long-term receivables - Non current		3,742,023	3,742,023	-	
Net movement in investments in municipal entities		-	-	4,000,000	
Net cash from investing activities		(2,502,494,573)	(2,481,962,849)	(1,465,542,405)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Movement in long term liabilities		790,546,465	782,846,420	(73,630,715)	
Movement in other long term liabilities		(18,107,002)	198,878	(5,681,530)	
Movement in deposits charged		214,445	-	-	
Movement in provision for company tax		(69,318)	-	-	
Repayment of other financial liabilities		(1,542,847)	-	-	
Net cash from financing activities		771,040,143	783,044,298	(79,312,245)	
Total cash movement for the year		(1,264,021,512)	(1,253,456,555)	(528,118,378)	
Cash at the beginning of the year		2,342,392,029	2,318,380,504	2,840,504,882	
Cash and cash equivalents at end of the year	16	1,078,370,517	1,064,929,949	2,318,386,504	

3.4 Financial position and funding strategy

Credit Rating

Global Credit Rating Company - The Ekurhuleni Metropolitan Municipality was awarded the following credit rating by Global Credit Rating Company in 2009:

Short term credit rating A1+
 Long term credit rating AA

Moody's Ratings - The Ekurhuleni Metropolitan Municipality was awarded an Aa2.za first time rating, which was re-confirmed in November 2009.

The current infrastructure backlogs of the Metro places tremendous financial strain on the community and proper financial planning is required to ensure the viability of the Metro.

Available funding sources are at present limited to the following:

- Assessment Rates
- Equitable Share Grant received from National Treasury
- Surpluses generated on Trading Services
- Capital Grant Funding
- External debt financing (including balance sheet loans, municipal bonds, leasing of assets, structured finance, etc.)

These funding sources must be optimised and new funding sources secured to ensure the financial viability of the Metro.

Projected Financial Results over the MTEF are as follows:

	EXPECTED	TABLED BUDGET: FEBRUARY 2010		
	RESULTS	BUDGET	BUDGET	BUDGET
	F01	F01	F02	F03
	2009/10	2010/11	2011/12	2012/13
OPERATING INCOME				
Property Rates	2,715,456,999	3,037,977,458	3,341,775,205	3,675,952,726
Less Income Foregone	496,641,117	510,619,900	561,681,890	617,850,079
Net Property Rates	2,218,815,882	2,527,357,558	2,780,093,315	3,058,102,647
Penalties Imposed on Property Rates	84,832,132	100,345,916	110,380,508	121,418,560
Interest Earned - Outstanding Debtors	270,078,937	338,677,921	423,347,404	529,184,255
Total Penalties & Interest on Debtors	354,911,069	439,023,837	533,727,912	650,602,815
Electricity	5,804,203,867	7,748,503,095	10,459,299,420	14,120,054,215
Solid Waste	514,898,195	606,277,066	697,204,398	801,785,056
Sanitation	521,193,169	655,084,407	786,052,953	943,263,545
Water	1,827,731,034	2,093,553,786	2,302,943,612	2,533,237,973
Fresh Produce Market	16,691,952	16,464,411	17,781,564	19,204,089
Minor Services	32,537,932	38,243,965	41,303,482	44,607,779
Total User Charges for Services	8,717,256,149	11,158,126,730	14,304,585,429	18,462,152,657
Rent of Facilities and Equipment	42,811,953	41,870,732	45,220,387	48,838,038
Interest Earned - External Investments	51,894,836	56,373,101	70,466,377	88,082,970
Fines	91,863,439	178,362,200	196,198,420	215,818,264
Certificates & Permits	23,643,770	25,703,553	27,759,837	29,980,622
Income from Agency Services	162,251,121	149,361,864	164,298,051	180,727,860
Operating Grants & Subsidies	2,423,405,881	2,713,210,666	2,998,022,221	2,998,979,495
Capital Grants	526,779,114	630,504,000	173,920,000	173,920,000
Other Income	49,861,693	66,855,192	72,203,603	77,979,920
Deferred Income	-			
Municipal entities	-			
Gain on Sale of Assets	3,564,753			
Internal charges - income	1,182,609,563	1,679,651,379	1,844,674,484	2,052,256,789
Total Operating Income	15,849,669,223	19,666,400,812	23,211,170,036	28,037,442,077

OPERATING EXPENDITURE				
Employee Related Costs - Salaries & Wages	3,153,879,043	3,694,893,463	4,004,076,989	4,344,423,473
Employee Related Costs - Social Contributions	729,494,070	863,007,278	936,362,904	1,015,953,715
Employee Related Costs - Capitalized	-	(109,300,184)	(118,590,699)	(128,670,906)
Total Employee Related Costs	3,883,373,113	4,448,600,557	4,821,849,194	5,231,706,282
Remuneration of Councillors	62,370,366	72,168,476	78,302,797	84,958,533
Bad Debts (Provision for Bad Debts)	1,591,999,828	1,535,459,505	1,778,588,814	2,194,304,976
Collection Costs	65,497,711	99,563,380	107,528,455	116,130,737
Depreciation	1,951,840,280	1,951,840,280	2,049,432,302	2,151,903,916
Repairs and Maintenance - External cost	1,048,093,939	1,410,647,194	1,791,921,981	2,106,241,506
Repairs and Maintenance - Internal charges	545,817,835	613,974,843	667,881,917	726,497,396
Interest Expense - External Borrowings (Current loans)	274,795,300	486,453,931	596,453,931	696,453,931
Interest Expense - External Borrowings (New MTREF)				
Interest Expense - External Borrowings (New O/Y's)				
Total Interest	274,795,300	486,453,931	596,453,931	696,453,931
Bulk Purchases - Electricity	3,467,203,301	5,070,998,394	6,845,847,831	9,241,894,572
Bulk Purchases - Water	1,101,875,150	1,448,539,599	1,632,228,309	1,828,015,730
Bulk Purchases - Sewer purification	241,875,033	330,940,612	358,294,019	401,271,746
Total Bulk Purchases	4,810,953,484	6,850,478,605	8,836,370,159	11,471,182,048
Contracted Services	517,271,787	675,820,050	756,918,458	847,748,670
Grants & Subsidies Paid	62,005,000	79,347,450	100,275,246	127,980,265
General Expenses - Other	824,455,201	985,150,914	1,064,703,528	1,149,196,272
Impairment Loss				
Loss on Sale of Assets	-	-	-	-
Internal charges - expenditure	709,807,572	1,065,676,537	1,176,792,567	1,325,759,393
Total Operating Expenditure	16,348,281,416	20,275,181,722	23,827,019,349	28,230,063,925
OPERATING SURPLUS / (DEFICIT) - See Income Statement	(498,612,193)	(608,780,910)	(615,849,313)	(192,621,848)
OTHER MOVEMENTS IN SURPLUS / (DEFICIT) - See SOCNA	(230,000,000)	-	-	-
TOTAL MOVEMENT IN SURPLUS FOR THE YEAR - See SOCNA	(728,612,193)	(608,780,910)	(615,849,313)	(192,621,848)
CAPITAL EXPENDITURE				
Funded from Internal Sources - municipal bonds (0910)	930,644,920	206,347,874	200,000,000	200,000,000
Funded from External Loans	807,504,077	1,100,000,000	1,000,000,000	1,000,000,000
Funded from External Grants	534,200,507	670,194,000	700,000,000	700,000,000
TOTAL CAPITAL EXPENDITURE FOR THE YEAR	2,272,349,504	1,976,541,874	1,900,000,000	1,900,000,000
CASH POSITION				
Operating Surplus	(498,612,193)	(608,780,910)	(615,849,313)	(192,621,848)
Adjustments to Operating Surplus for Non Cash	1,746,907,619	1,984,714,820	2,338,992,495	2,470,838,239

items				
Cash Flows from Operating Activities	1,248,295,426	1,375,933,910	1,723,143,182	2,278,216,391
Cash Flows from Investing Activities	(2,222,349,504)	(1,754,747,671)	(2,300,000,000)	(2,300,000,000)
Cash Flows from Financing Activities	1,427,113,512	668,390,238	817,527,635	814,827,882
TOTAL CASH GENERATED - See Cash Flow Statement	453,059,434	289,576,477	240,670,818	793,044,273
TOTAL CASH POSITION (Cash and Investments)				
Opening Cash and Cash Equivalents	1,064,939,949	1,517,999,383	1,807,575,860	2,048,246,678
Movement (as per above)	453,059,434	289,576,477	240,670,818	793,044,273
Closing Cash	1,517,999,383	1,807,575,860	2,048,246,678	2,841,290,951
Plus: Investments (excl Entities)	279,217,804	73,423,295	473,423,295	873,423,295
TOTAL CASH POSITION (Cash and Investments)	1,797,217,187	1,880,999,155	2,521,669,973	3,714,714,246
Less encumbered cash (minimum that can be held) * Excl Depr	1,324,510,524	1,151,254,899	1,222,144,586	1,299,094,735
Cash available for operations (to be 70 days min)	472,706,662.91	729,744,256.11	1,299,525,387.05	2,415,619,510.67
Number of day's total cash held (total cash and inv)	51	53	71	105
Number of day's total cash held (cash only, excl inv)	43	51	58	81
Number of day's total cash held (un-encumbered cash)	13	21	37	68
Minimum Cash Balance to Maintain				
- Encumbered Investments	327,925,149	77,423,601	77,423,601	77,423,601
- Funding of Balance Sheet	996,585,375	1,073,831,298	1,144,720,985	1,221,671,134
Cash Expenditure per year	11,548,815,901	15,108,230,557	18,154,323,749	21,831,598,244
Cash Expenditure per month	962,401,325	1,259,019,213	1,512,860,312	1,819,299,854
Cash Expenditure per day	32,080,044	41,967,307	50,428,677	60,643,328
Working Capital Requirement (70 days, i.e. 2,5 months)	2,406,003,313	3,147,548,033	3,782,150,781	4,548,249,634
Funding of Balance Sheet				
Non Current Provisions	236,562,313	286,923,074	315,615,382	347,176,920
Consumer Deposits	398,330,025	411,402,496	431,972,621	453,571,252
Current Provisions	202,459,856	216,272,546	237,899,800	261,689,781
Unspent Conditional Grants	159,233,181	159,233,181	159,233,181	159,233,181
Total funding required	996,585,375	1,073,831,298	1,144,720,985	1,221,671,134

3.5 Priorities and link to IDP

Operating Budget - Revenue

Strategic Objective	Goal	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand							
Broad Based Economic Transformation	Deputy City Manager - Strategic	-	-	(0)	-	-	-
Broad Based Economic Transformation	Integrated Development Planning	(1)	(1)	-	(0)	(0)	(0)
Environment	Environmental Development	(1,211)	(22,453)	(6,461)	(1,207)	(1,303)	(1,407)
Good Governance	City Manager	(1,036)	(1,036)	(1,267)	(817)	(879)	(946)
Good Governance	Communications and Marketing	(1,146)	(1,146)	(907)	(1,038)	(1,122)	(1,218)
Good Governance	Community Safety	(148,422)	(148,422)	(144,189)	(134,389)	(148,595)	(162,548)
Good Governance	Council General Expenditure	(192,938)	-	-	-	-	-
Good Governance	Customer Care Centres	(5)	(5)	(1)	(1)	(1)	(1)
Good Governance	Deputy City Manager - Corporate	(2)	(2)	(1)	-	-	(0)
Good Governance	Deputy City Manager - Operations	(767)	(767)	(231)	(771)	(838)	(909)
Good Governance	Economic Development	(159)	(159)	(100)	(134)	(146)	(159)
Good Governance	Electricity and Energy	(398,272)	(399,622)	(317,130)	(400,843)	(464,607)	(526,065)
Good Governance	EMPD	(126,386)	(126,386)	(49,584)	(83,033)	(92,190)	(104,125)
Good Governance	Environmental Development	-	-	(13)	-	-	-
Good Governance	Finance	(3,348,864)	(3,344,075)	(3,236,420)	(3,634,194)	(4,016,431)	(4,445,722)
Good Governance	Fleet Management	(52,540)	(52,540)	(28,904)	(52,419)	(58,044)	(64,261)
Good Governance	General Manager - 2010 and Special projects	(1)	(1)	(21)	(0)	-	(0)
Good Governance	Housing	(117)	(117)	(111)	(163)	(176)	(190)
Good Governance	Human Resources	(85,908)	(85,909)	(56,209)	(87,694)	(95,040)	(103,002)
Good Governance	Information Communication Technology	(183,824)	(183,824)	(92,568)	(285,858)	(308,304)	(333,087)
Good Governance	Integrated Development Planning	(381)	(381)	(127)	(179)	(194)	(210)
Good Governance	Internal Audit	(6,516)	(6,516)	(4,228)	(6,498)	(1)	(7,658)
Good Governance	IS-Roads, Transport & Civil Works	(188,419)	(188,419)	(138,108)	(196,156)	(209,091)	(231,107)
Good Governance	IS-Water and Wastewater	(214,953)	(214,953)	(167,811)	(255,855)	(279,906)	(306,417)

Good Governance	Legal and Administrative Services	(42,744)	(42,744)	(37,935)	(45,976)	(49,419)	(54,617)
Good Governance	Political Office	(64,868)	(66,868)	(47,430)	(69,332)	(75,393)	(81,595)
Good Governance	Research & Development	(2)	(2)	-	-	-	-
Good Governance	Solid Waste	(22,902)	(22,902)	146	(49,953)	(57,446)	(66,063)
Good Governance	SRAC	(1,330)	(1,330)	(998)	(1,500)	(1,616)	(1,741)
Health HIV/AIDS Poverty Rel. Diseases	Community Safety	(93,742)	(93,742)	(120,708)	(101,840)	(116,817)	(117,232)
Health HIV/AIDS Poverty Rel. Diseases	Deputy City Manager - Operations	-	-	-	-	(1,738)	-
Health HIV/AIDS Poverty Rel. Diseases	Environmental Development	(3,656)	(3,656)	(226)	(2,412)	(2,606)	(2,815)
Health HIV/AIDS Poverty Rel. Diseases	Health	(82,016)	(161,137)	(72,252)	(170,900)	(94,560)	(96,298)
Improving Skills Levels	Human Resources	(16,301)	(16,301)	(8,617)	(16,300)	(17,930)	(17,930)
Inadequate ICT Infrastructure	Information Communication Technology	(2)	(2)	(25)	-	-	-
Inadequate Trading Services Infrastructure	Electricity and Energy	(5,923,287)	(5,941,027)	(5,915,431)	(7,818,893)	(10,480,081)	(14,142,338)
Inadequate Trading Services Infrastructure	IS-Water and Wastewater	(344,710)	(359,933)	(2,499,873)	(301,068)	(355,467)	(434,508)
Inadequate Trading Services Infrastructure	Solid Waste	(585,377)	(609,377)	(540,644)	(680,220)	(749,567)	(867,168)
Investment Promotion & Facilitation	Economic Development	(2)	(2)	(7)	-	-	-
Investment Promotion & Facilitation	Springs Fresh Produce Market	(16,341)	(16,341)	(19,928)	(19,054)	(20,631)	(22,347)
Parks, Sports & Recreational Facilities	Community Safety	-	-	(5,760)	-	-	-
Parks, Sports & Recreational Facilities	Metro Parks	(14,765)	(40,029)	(32,904)	(46,904)	(23,656)	(25,549)
Parks, Sports & Recreational Facilities	SRAC	(9,802)	(60,958)	(52,944)	(33,337)	(13,426)	(14,063)
Poor Transportation Links & Mobility	Fleet Management	(5)	(5)	(3)	(5)	(5)	(6)
Poor Transportation Links & Mobility	IS-Roads, Transport & Civil Works	(35,012)	(180,730)	(76,244)	(254,024)	(3,031,241)	(67,535)
Poor Transportation Links & Mobility	IS-Water and Wastewater	(2,223,654)	(2,223,654)	4,491	(2,644,871)	-	(3,333,406)
Poverty & Unemployment	Finance	(1,378,619)	(1,519,631)	(2,009,243)	(1,908,904)	(2,116,944)	(2,060,776)
Safety & Security	Community Safety	(30,455)	(59,148)	(20,216)	(29,877)	(32,768)	(35,941)
Safety & Security	EMPD	(62,582)	(62,607)	(21,834)	(102,581)	(112,788)	(124,011)
Spatially Fragmented, Inequitable City	City Development	(4,436)	(2,490)	(2,297)	(3,154)	(3,404)	(3,683)
Sustainable Economic Diversification	Economic Development	(2)	(1,145)	(121)	-	-	-
Sustainable Human Settlements	Housing	(24,610)	(254,728)	(124,274)	(224,044)	(176,797)	(178,787)
Total Revenue (excluding capital transfers and contributions)		(15,933,088)	(16,517,222)	(15,849,669)	(19,666,401)	(23,211,170)	(28,037,442)

Operating Budget – Expenditure

Strategic Objective	Goal	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand							
Broad Based Economic Transformation	Deputy City Manager - Operations	-	-	-	-	2	-
Broad Based Economic Transformation	Deputy City Manager - Strategic	2,564	2,521	2,544	2,854	3,094	3,358
Broad Based Economic Transformation	Integrated Development Planning	5,664	5,309	5,154	5,265	5,705	6,182
Environment	Community Safety	100	30	-	81	87	94
Environment	Economic Development	-	-	-	-	1,027	11
Environment	Environmental Development	23,510	45,857	21,585	30,230	32,564	35,122
Environment	IS-Roads, Transport & Civil Works	150	135	50	126	136	147
Environment	Solid Waste	1,870	2,073	1,624	1,611	1,805	2,021
Good Governance	City Development	6,522	6,522	4,433	9,561	10,343	11,359
Good Governance	City Manager	12,844	11,299	12,255	10,426	30,744	12,081
Good Governance	Communications and Marketing	675	675	694	798	805	1,000
Good Governance	Community Safety	165,658	165,079	162,350	193,428	226,875	232,824
Good Governance	Council General Expenditure	304,128	265,553	144,472	367,884	305,588	350,180
Good Governance	Customer Care Centres	50,492	50,548	43,285	63,441	71,056	75,999
Good Governance	Deputy City Manager - Corporate	5,913	5,461	3,076	3,780	4,103	8,026
Good Governance	Deputy City Manager - Operations	410	396	386	454	508	557
Good Governance	Deputy City Manager - Strategic	89	86	166	140	158	176
Good Governance	Economic Development	602	602	886	1,034	1,007	1,289
Good Governance	Electricity and Energy	548,752	605,575	648,092	699,447	767,764	925,637
Good Governance	EMPD	14,596	14,894	16,072	17,848	4,898	21,466
Good Governance	Environmental Development	547	547	544	438	493	547
Good Governance	Finance	1,570,203	1,619,922	2,121,347	1,987,155	2,270,946	2,588,853
Good Governance	Fleet Management	8,380	8,380	9,369	13,388	14,638	16,029
Good Governance	General Manager - 2010 and Special projects	65,170	81,524	19,934	47,935	31,675	54,979
Good Governance	General Manager - Organisational Performance	4,022	3,759	5,297	1,497	1,602	1,754
Good Governance	Health	29,617	29,617	22,720	38,071	41,948	46,534
Good Governance	Housing	64,129	65,202	60,782	96,241	107,417	124,578
Good Governance	Human Resources	120,865	115,157	109,330	137,898	149,228	162,266
Good Governance	Information Communication	1,756	1,756	1,588	2,068	2,139	2,574

	Technology						
Good Governance	Integrated Development Planning	8,822	8,822	1,773	30	35	39
Good Governance	Internal Audit	31,575	37,400	27,299	35,562	-	41,240
Good Governance	IS-Roads, Transport & Civil Works	180,311	176,751	153,114	215,293	233,444	254,485
Good Governance	IS-Water and Wastewater	28,371	29,225	31,127	38,713	43,795	50,447
Good Governance	Legal and Administrative Services	227,707	225,037	218,650	247,502	270,861	299,071
Good Governance	Metro Parks	20,098	19,538	15,720	25,230	28,272	32,280
Good Governance	Performance Management	-	-	-	-	38,291	-
Good Governance	Political Office	393,454	103,044	(8,463)	225,086	242,448	265,802
Good Governance	Regional Management	-	-	15	-	126	137
Good Governance	Research & Development	5,396	3,769	1,770	3,666	3,969	4,295
Good Governance	Risk Management	1,942	925	111	4,444	4,805	5,196
Good Governance	Solid Waste	89,846	97,534	99,348	143,987	160,548	189,688
Good Governance	Springs Fresh Produce Market	3,517	3,517	2,349	3,101	3,707	4,472
Good Governance	SRAC	76,978	76,990	56,663	100,303	111,285	123,153
Health HIV/AIDS Poverty Rel. Diseases	Community Safety	92,208	90,623	125,218	135,187	146,687	159,166
Health HIV/AIDS Poverty Rel. Diseases	Deputy City Manager - Operations	-	-	-	-	1,780	-
Health HIV/AIDS Poverty Rel. Diseases	Environmental Development	68,384	67,098	70,287	71,019	77,007	83,613
Health HIV/AIDS Poverty Rel. Diseases	Health	389,481	391,602	382,135	411,613	443,284	482,627
Health HIV/AIDS Poverty Rel. Diseases	IS-Roads, Transport & Civil Works	0	0	-	0	0	0
Health HIV/AIDS Poverty Rel. Diseases	Solid Waste	-	-	-	-	3	-
Health HIV/AIDS Poverty Rel. Diseases	SRAC	-	-	44	39	42	46
Improving Skills Levels	City Development	130	130	176	130	140	152
Improving Skills Levels	Communications and Marketing	131	131	12	131	141	153
Improving Skills Levels	Community Safety	3,531	3,531	868	3,531	3,813	4,119
Improving Skills Levels	Council General Expenditure	-	-	-	-	41	45
Improving Skills Levels	Economic Development	100	100	164	100	108	117
Improving Skills Levels	Electricity and Energy	610	610	324	610	659	712
Improving Skills Levels	EMPD	1,778	1,778	2,317	1,778	1,920	2,074
Improving Skills Levels	Environmental Development	139	139	84	139	150	162
Improving Skills Levels	Finance	400	400	51	400	432	467
Improving Skills Levels	Health	1,182	1,182	1,019	1,182	1,277	1,379
Improving Skills Levels	Housing						

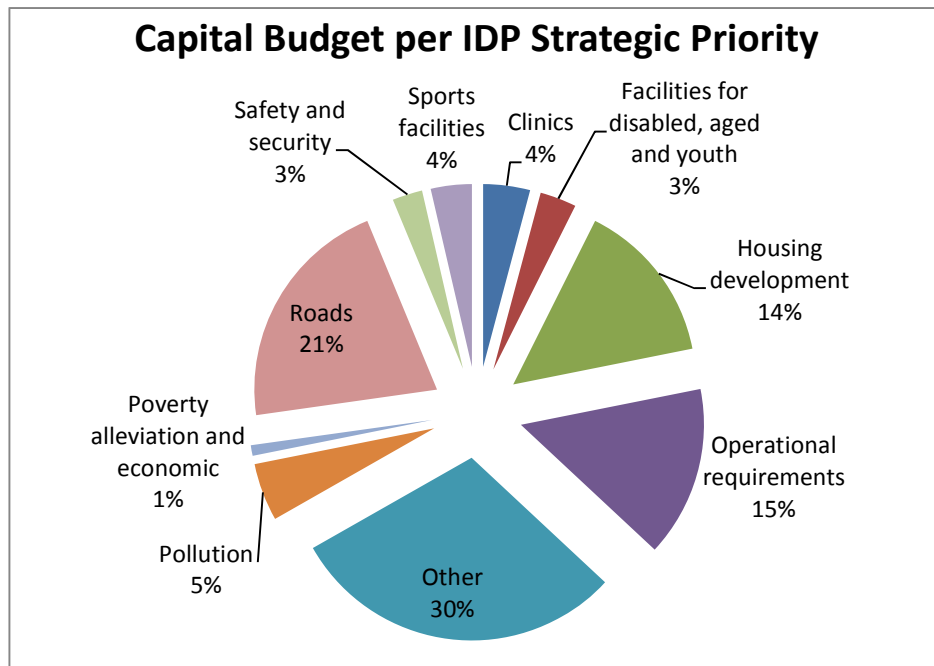
		210	210	196	210	227	245
Improving Skills Levels	Human Resources	21,147	20,726	14,209	29,297	31,669	34,277
Improving Skills Levels	Information Communication Technology	1,000	1,000	101	1,000	1,080	1,166
Improving Skills Levels	Integrated Development Planning	2,890	2,890	1	2,890	3,121	3,371
Improving Skills Levels	Internal Audit	165	165	255	165	-	192
Improving Skills Levels	IS-Roads, Transport & Civil Works	1,317	1,317	44	1,317	1,422	1,536
Improving Skills Levels	IS-Water and Wastewater	2	2	0	2	2	2
Improving Skills Levels	Legal and Administrative Services	134	134	18	134	144	156
Improving Skills Levels	Metro Parks	572	572	5	572	618	667
Improving Skills Levels	Performance Management	-	-	-	-	178	-
Improving Skills Levels	Political Office	58	58	-	46	50	54
Improving Skills Levels	Research & Development	24	24	-	24	26	28
Improving Skills Levels	Solid Waste	241	241	182	241	260	281
Improving Skills Levels	SRAC	68	68	-	67	73	78
Inadequate ICT Infrastructure	City Development	1,902	1,879	1,123	2,063	2,228	2,406
Inadequate ICT Infrastructure	Community Safety	1,713	1,713	577	293	316	342
Inadequate ICT Infrastructure	Electricity and Energy	384	384	110	485	524	566
Inadequate ICT Infrastructure	EMPD	1,500	1,500	-	-	-	-
Inadequate ICT Infrastructure	Environmental Development	752	4,520	2,816	1,467	1,591	1,725
Inadequate ICT Infrastructure	Finance	13,160	11,983	14,122	13,501	14,781	16,187
Inadequate ICT Infrastructure	Housing	50	50	-	190	205	222
Inadequate ICT Infrastructure	Human Resources	-	-	-	1,680	1,814	1,960
Inadequate ICT Infrastructure	Information Communication Technology	203,646	289,663	119,497	275,445	297,115	320,699
Inadequate ICT Infrastructure	Internal Audit	45	522	-	698	-	814
Inadequate ICT Infrastructure	IS-Roads, Transport & Civil Works	-	-	-	515	556	601
Inadequate ICT Infrastructure	IS-Water and Wastewater	925	486	-	111	120	130
Inadequate ICT Infrastructure	Legal and Administrative Services	285	285	24	32	35	37
Inadequate ICT Infrastructure	Performance Management	-	-	-	-	754	-
Inadequate ICT Infrastructure	Research & Development	75	75	-	74	80	87
Inadequate ICT Infrastructure	SRAC	1,912	1,912	2,602	2,090	2,257	2,438
Inadequate ICT Infrastructure	Community Safety	1,000	1,000	286	-	-	-
Inadequate Trading Services Infrastructure	Deputy City Manager - Operations	3,439	2,999	1,292	3,437	3,728	4,044

Inadequate Trading Services Infrastructure	Electricity and Energy	4,978,017	5,703,163	5,650,393	6,869,699	8,853,447	11,495,403
Inadequate Trading Services Infrastructure	Finance	-	10	-	11	-	14
Inadequate Trading Services Infrastructure	IS-Roads, Transport & Civil Works	-	4,270	3,361	2,940	3,293	3,688
Inadequate Trading Services Infrastructure	IS-Water and Wastewater	692,002	880,443	544,145	820,821	888,186	961,519
Inadequate Trading Services Infrastructure	Political Office	102	142	106	80	90	100
Inadequate Trading Services Infrastructure	Solid Waste	654,338	676,976	588,784	726,293	799,091	879,419
Investment Promotion & Facilitation	City Manager	5,000	700	619	700	756	816
Investment Promotion & Facilitation	Communications and Marketing	-	150	-	-	-	-
Investment Promotion & Facilitation	Community Safety	-	250	0	250	270	292
Investment Promotion & Facilitation	Deputy City Manager - Strategic	31	30	-	-	-	-
Investment Promotion & Facilitation	Economic Development	7,424	5,440	2,353	3,360	3,629	3,919
Investment Promotion & Facilitation	Electricity and Energy	-	250	-	250	-	292
Investment Promotion & Facilitation	Finance	-	200	-	200	216	233
Investment Promotion & Facilitation	Information Communication Technology	-	200	-	200	216	233
Investment Promotion & Facilitation	IS-Roads, Transport & Civil Works	-	250	-	250	540	292
Investment Promotion & Facilitation	Legal and Administrative Services	-	200	4	200	216	233
Investment Promotion & Facilitation	Political Office	500	400	43	1,450	1,566	1,691
Investment Promotion & Facilitation	Springs Fresh Produce Market	7,856	7,749	8,079	7,509	8,161	8,869
Labour Absorption & Job Creation	City Manager	-	-	-	-	50	-
Labour Absorption & Job Creation	Health	5	5	-	6	6	-
Labour Absorption & Job Creation	Human Resources	15,164	15,456	5,114	7,285	7,875	7
Labour Absorption & Job Creation	Political Office	1	1	6	1	1	8,514
Labour Absorption & Job Creation	SRAC	7	7	64	58	63	1
Lack of Clear Identity	Communications and Marketing	44,442	45,584	43,197	41,731	45,190	68
Need for Urban Renewal	City Development	-	-	-	306	206	48,936
Need for Urban Renewal	Deputy City Manager - Strategic	708	694	27	-	-	51
Parks, Sports & Recreational Facilities	Finance	2	3	5	8	8	172
Parks, Sports & Recreational Facilities	Health	-	-	0	-	-	-
Parks, Sports & Recreational Facilities	Housing	59	59	-	55	60	9
Parks, Sports & Recreational Facilities	IS-Water and Wastewater	11	-	-	-	-	-

Parks, Sports & Recreational Facilities	Legal and Administrative Services	2	2	-	1	1	64
Parks, Sports & Recreational Facilities	Metro Parks	422,526	408,060	399,663	433,379	466,203	1
Parks, Sports & Recreational Facilities	Political Office	-	500	219	-	-	-
Parks, Sports & Recreational Facilities	SRAC	359,832	354,178	373,278	375,849	417,399	516,552
Poor Transportation Links & Mobility	Electricity and Energy	-	10	-	-	-	-
Poor Transportation Links & Mobility	Fleet Management	63,560	93,442	59,433	93,515	100,356	441,931
Poor Transportation Links & Mobility	IS-Roads, Transport & Civil Works	864,445	1,545,774	836,794	1,533,497	4,084,121	107,810
Poor Transportation Links & Mobility	IS-Water and Wastewater	1,788,587	1,820,862	1,803,476	2,204,241	15,806	1,768,723
Poor Transportation Links & Mobility	Solid Waste	1,976	2,576	2,958	1,859	2,082	2,794,157
Poverty & Unemployment	Electricity and Energy	44,100	44,100	44,516	54,000	72,900	2,332
Poverty & Unemployment	Environmental Development	452	405	136	405	437	98,415
Poverty & Unemployment	Health	1,470	1,420	352	1,920	2,074	472
Poverty & Unemployment	Housing	8,479	10,047	13,393			
Poverty & Unemployment	Legal and Administrative Services	3,646	3,694	8,621	6,370	6,893	2,239
Safety & Security	Community Safety	293,996	298,586	314,348	333,020	361,415	7,458
Safety & Security	EMPD	533,766	493,795	643,374	698,864	757,069	392,181
Safety & Security	Finance	3,348	157	-	2,617	2,931	826,076
Safety & Security	Health	125	148	147	162	-	3,282
Safety & Security	Housing	2,000	1,228	950	800	864	203
Safety & Security	SRAC	4,146	4,190	4,456	5,025	1,653	933
Spatially Fragmented, Inequitable City	City Development	95,245	90,738	78,107	86,454	93,694	6,042
Spatially Fragmented, Inequitable City	Human Resources	343	460	430	460	497	101,546
Sustainable Economic Diversification	Economic Development	17,133	18,532	15,516	21,975	18,685	537
Sustainable Economic Diversification	Environmental Development	4,064	3,989	96	-	286	20,227
Sustainable Economic Diversification	Springs Fresh Produce Market	434	592	421	570	323	1,135
Sustainable Human Settlements	Health	-	-	-	-	18	651
Sustainable Human Settlements	Housing	115,168	189,930	138,859	195,341	215,435	19
Tourism Promotion & Development	Environmental Development	-	-	-	-	318	237,697
Tourism Promotion & Development	Economic Development	3,829	3,363	4,221	622	4,456	400
Tourism Promotion & Development	Springs Fresh Produce Market	800	740	546	657	736	5,614
		15,933,075	17,528,883	16,348,281	20,275,182	23,512,187	27,836,561

Capital Budget

IDP Strategic Priority	Budget 2010/2011
Clinics	82,370,000
Facilities for disabled, aged and youth	63,745,000
Housing development	286,127,900
Operational requirements	298,165,374
Other	589,186,600
Pollution	100,750,000
Poverty alleviation and economic	18,100,000
Roads	414,304,000
Safety and security	52,505,000
Sports facilities	71,288,000
Grand Total	1,976,541,874



3.6 Key amendments to IDP

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

- It must support and work towards achieving the Vision, Mission, Values and the Seven Strategic Priorities of EMM.

- Working towards the achievement of the EMM GDS 2025 Outcomes and Milestones (Strategic Objectives).
- Focus on service delivery in terms of the eradication of backlogs and the maintenance of infrastructure.
- Address community priorities (needs) as identified in the IDP as well as newly identified priorities.
- Addressing the deliverables set at the Mayoral Lekgotla.
- Provincial plans and programmes applicable to the specific department. Budget allocations by the respective provincial sector departments to these projects should also be reflected as far as possible.

The review of the IDP focused on formulating measurable performance indicators and targets set for the 5, 3 and 1 year. These targets informed the multiyear budgets prepared as well as the SDBIP.

In addition to the above, Departments were requested to ensure that the numbers of the various wards, in which projects identified in the budget will be implemented, are correct as this has been a ongoing problem over the last number of years.

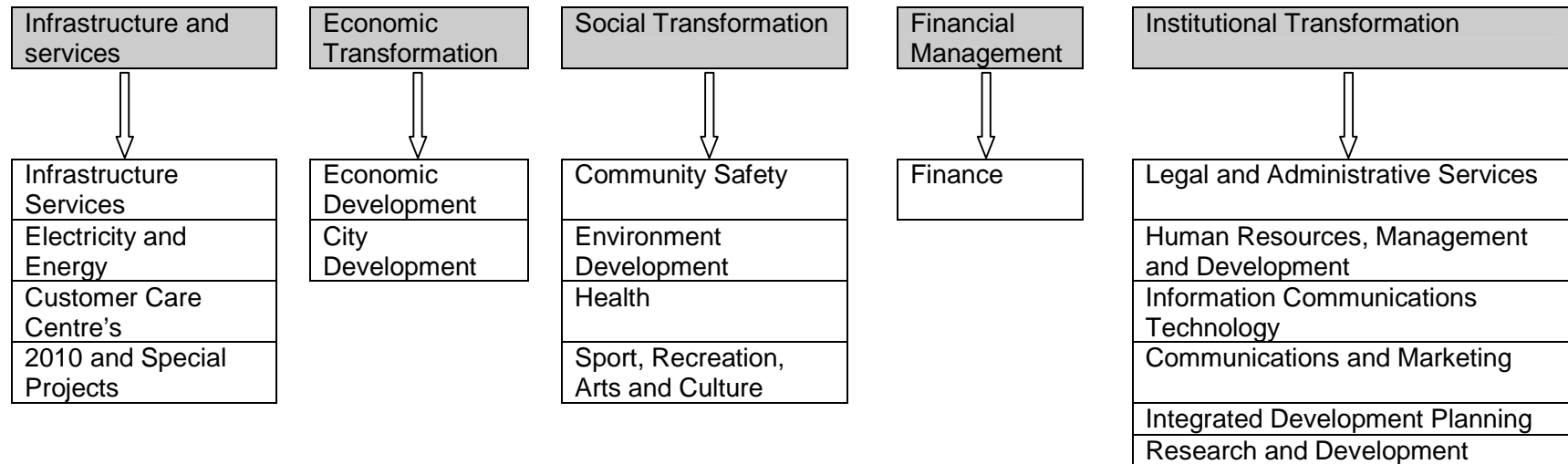
There are also different categories of wards in terms of level of development. The categorising of wards is as follows:

- Underdeveloped Wards
- Developed, Residential
- Developed, Industrial/Commercial/CBD
- Mixed Wards
- Multi-Wards

3.7 Alignment with National and Provincial Priorities

The priorities of National and Provincial Government are aligned to the priorities of the Metro.

A matrix showing the alignment of National and Provincial Government priorities with those of the EMM departments are shown hereunder:



The above is an indication of EMM's alignment to the National Key Performance Areas and how departments align thereto. It should however be noted that in terms of the implementation all departments are focusing on all five areas. In terms of indicators, these form part of all Executive Directors performance agreements.

All national targets form part of the framework in terms of which the IDP have been reviewed. The achievement some of these targets however require additional resources to be able to achieve them.

3.8 Amendments to Budget Related Policies

The MFMA and the Budget and Reporting Regulations require that all budget and budget related policies be review, and where applicable, be updated on an annual basis.

The policies were used as basis for compilation of the budget. The policies are **NEW**, **REVISED** or previously approved and are now remaining **UNCHANGED**.

Only policies new policies and policies with recommended changes are produced in hard copy. Policies that remained unchanged are only provided in electronic format.

The following policies are contained on the CD accompanying the Budget Document:

1. Tariffs policy in term of section 74 of the Municipal Systems Act (**REVISED**)
 - a. Electricity
 - b. Water and Wastewater
 - c. Solid Waste
2. Property Rates Policy and By-law (**REVISED**)
 - a. Rates policy in terms of section 3 of the Municipal Property Rates Act
 - b. Rates by-law
3. Credit control and debt collection policy and By-law (**REVISED**)
 - a. Credit control and debt collection policy in terms of section 96 of the MSA
 - b. Credit control and debt collection By-law
4. Cash Management policy in terms of section 13(2) of the MFMA (**REVISED**)
5. Investment policy in terms of section 13(2) of the MFMA (**REVISED**)
6. Borrowing policy (**NEW**)
7. Funding and reserves policy (needs updating on funding mix) (**NEW**)
8. Long term financial plan (**NEW**)
9. SCM policy in terms of section 111 of the MFMA (**UNCHANGED**)
10. Asset management and disposal of assets policy (**UNCHANGED**)
11. Policies dealing with infrastructure investment and capital projects
 - a. Planning and approval of capital projects (**NEW**)
 - b. Developer contributions for property developments – Electricity (**UNCHANGED**)
 - c. Developer contributions for property developments – Water and Wastewater (**UNCHANGED**)
 - d. Developer contributions for property developments – Roads (**UNCHANGED**)
12. Indigents policy (**REVISED**)
13. Policies related to the provision of free basic services

- a. Electricity (**UNCHANGED**)
 - b. Water and Wastewater (**NEW**)
14. Budget implementation and monitoring policy (**NEW**)
15. Policies relating to managing electricity (**UNCHANGED**)
- a. Electricity metering for domestic customers (aimed at management of electricity losses)
 - b. Policy to promote electricity conservation and efficiency
16. Policies related to personnel (including overtime, vacancies and temporary staff) (**UNCHANGED**)
- a. Recruitment and section policy and procedure
 - b. Policy for appointing temporary staff
 - c. Personnel policy
 - d. Payment of advances on salaries policy
 - e. Overtime policy
 - f. Acting allowance policy
 - g. Acting allowance (section 57) policy
 - h. Uniform allowance for night work policy
 - i. Uniform cellular allowance policy
 - j. Medical fund contributions policy
 - k. Boksburg housing allowance policy
 - l. Calculation of annual leave pay policy
 - m. Domestic travel policy
 - n. Inconvenience allowance policy
 - o. Transport allowance policy
 - p. Subsistence and travelling policy
 - q. Standby and fire allowances policy
 - r. Uniforms for nursing staff policy
 - s. Progressive advancement policy
 - t. Rapid advancement policy
 - u. Internship policy and implementation guidelines
 - v. Exchange policy
 - w. Learnership policy
 - x. Study bursary scheme for employees
 - y. Ekurhuleni bursary scheme
 - z. HIV policy
 - za. Transportation of corpses to the rural areas policy
 - zb. Incapacity due to ill health policy
17. Policies dealing with municipal entities (including Service delivery agreements and Dividend preference of the municipality) (**REVISED**)
18. Other policies
- a. Accounting Policy (**REVISED**)
 - b. Provision and doubtful debt and debt write-off (**NEW**)
 - c. Acceptance of grants, donations, sponsorships and gifts policy (**UNCHANGED**)

3.9 Summary of Assumptions Used in preparing the Operating Budget

Bulk Purchases	2010/11	2011/2012	2012/2013
Electricity – growth	-2,5%	0%	0%
Electricity – bulk tariff increase	35%	35%	35%
Water – growth	2,5%	0%	0%
Water – bulk tariff increase	15,1%	12,5%	12,5%
Sewer – growth	2,5%	0%	0%
Sewer – bulk tariff increase	24%	10%	12%

Other Expenditures	2010/11	2011/2012	2012/2013
Employee Cost Increases	8,5%	8,5%	8,5%
Repairs & Maintenance Incr.	21%	27%	17%
Contracted Services Incr.	0%	12%	12%
General Expenses Incr.	-13%	8%	8%
New loans for capital	R1,1 bn	R1,0 bn	R1,0 bn
Other expenditure growth limits	6%	6%	6%

Tariff Increases	2010/11	2011/2012	2012/2013
Electricity – growth	-2,5%	0%	0%
Electricity – tariff increase	35%	35%	35%
Water – growth	2,5%	0%	0%
Water – tariff increase	15,5%	10%	10%
Sewer – growth	2,5%	3%	3%
Sewer – tariff increase	18,8%	15%	15%
Refuse removal – growth	0%	0%	0%
Refuse removal – tariff increase	15%	15%	15%
Assessment rates – growth	0%	0%	0%
Assessment rates – tariff increase	10%	10%	10%

Income Category	2010/11	2011/2012	2012/2013
Revenue collection rates (Assessment rates and user charges for services, but excluding penalties on property rates and interest on outstanding debtors)	93%	93%	93%
All other income (on accrual basis)	100%	100%	100%
Fines (on cash basis, i.e. only recognised as income when received)	100%	100%	100%

3.10 Free Basic Services

The following social package will be provided during 2010/11:

Free Basic Services – Water and Electricity

- Water Residential Users 6 kl per month
- Water Indigents 9 kl per month
- Sewerage Residential Users 6 kl per month
- Sewerage Indigents 9 kl per month
- Electricity Residential Users on Tariff A 100 kWh per month
- Refuse Removal Indigents First step free

Assessment Rate Rebates are granted in terms of the newly adopted Municipal Property Rates Policy.

- Residential
 - Indigent owners : Exempt
 - Child headed households : Exempt
 - Pensioners : Rebate of R150 000
 - In addition to the R150 000 rebate mentioned above, the following further rebates be granted based on the average monthly earnings of the pensioner:

Average Monthly earnings in respect of preceding 12 months.	Additional Rebate on assessment rates
R0.00 to R 2 020.00 (2 x State pensions)	100 %
R 2 020.01 to R 3 000.00	85%
R 3 000.01 to R 4 500.00	70%
R 4 500.01 to R 6 000.00	55%
R 6 000.01 to R 8 000.00	40%

- Disability grantees/medically boarded persons : Rebate of R150 000
- Municipal : Exempt
 - Trading Services → To be rated
- Sporting bodies : Rebate of 90%
- Public benefit organizations/Non Governmental Organisations (NGO's) and Cultural Organisations : Exempt
- Protected areas : Exempt
- Religious organisations : Exempt
- Public & Private schools, universities & colleges. :
 - Private (Independent) schools not state subsidized : Rebate 100%
 - Private (Independent) schools subsidized by State : Rebate 50%
 - Tertiary Institutions : Rebate 20%
 - Public Schools : Rebate 0%
 - Crèches : 100%

Service	Number of Households	Free Units	Sales Price	Income foregone per month	Income foregone per year
Water - households	426,784	6	7.40	18,949,210	227,390,515
Water - indigents (additional)	45,347	3	7.40	1,006,703	12,080,441
Sewerage - households	426,784	6	5.64	14,442,371	173,308,447
Sewerage - indigents (additional)	45,347	3	5.64	767,271	9,207,255
Refuse Removal - indigents	45,347		61.61	2,793,829	33,525,944
Electricity: Conventional Meters					
High Season (3 months)	48,262	100	1.2042	5,811,710	17,435,130
Low Season (9 months)	48,262	100	0.999	4,821,374	43,392,364
Electricity: Pre-paid					
High Season (3 months)	150,000	100	1.2042	18,063,000	54,189,000
Low Season (9 months)	150,000	100	0.999	14,985,000	134,865,000
Assessment Rates	45,347			1,716,133	20,593,591
TOTAL					725,987,687

4. ANNUAL BUDGET TABLES

Budget Summary – Table A1

Budget Performance (Revenue and Expenditure by standard classification) – Table A2

Budget Performance (Revenue and Expenditure by municipal vote) – Table A3

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GT000 Ekurhuleni Metro - Table A1 Budget Summary

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousands	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Financial Performance										
Property rates	-	-	1,886,599	2,127,262	2,350,361	2,226,117	2,226,117	2,627,703	2,890,474	3,179,521
Service charges	-	-	6,199,974	8,759,491	8,764,180	8,680,922	8,680,922	11,158,127	14,304,585	18,462,153
Investment revenue	-	-	117,505	179,219	59,219	48,846	48,846	56,373	70,466	88,083
Transfers recognised - operational	-	-	1,971,772	2,401,489	2,431,122	2,720,877	2,720,877	2,713,211	2,998,022	2,998,979
Other own revenue	700,771	17,755	885,830	995,932	796,552	666,140	666,140	800,832	929,028	1,082,529
Total Revenue (excluding capital transfers and contributions)	700,771	17,755	11,061,679	14,463,393	14,401,435	14,342,903	14,342,903	17,356,246	21,192,576	25,811,265
Employee costs	-	-	3,355,807	4,000,652	3,936,345	3,838,066	3,838,066	4,448,601	4,821,849	5,231,706
Remuneration of councillors	-	-	58,717	66,636	66,326	62,370	62,370	72,168	78,303	84,959
Depreciation & asset impairment	-	-	1,907,231	510,567	1,951,840	1,951,840	1,951,840	1,951,840	2,049,432	2,151,904
Finance charges	-	-	181,818	274,795	325,107	221,319	221,319	486,454	596,454	696,454
Materials and bulk purchases	-	-	4,122,010	5,345,504	5,345,504	4,683,563	4,683,563	6,850,479	8,836,370	11,471,182
Transfers and grants	-	-	53,831	62,005	62,005	56,249	56,249	79,347	100,275	127,980
Other expenditure	-	-	3,955,765	4,203,062	4,312,440	4,262,715	4,262,715	4,706,641	5,184,829	6,020,119
Total Expenditure	-	-	13,635,179	14,463,222	15,999,567	15,076,122	15,076,122	18,595,530	21,667,513	25,784,304
Surplus/(Deficit)	700,771	17,755	(2,573,500)	171	(1,598,133)	(733,219)	(733,219)	(1,239,285)	(474,937)	26,961
Transfers recognised - capital	-	-	505,267	-	586,471	234,607	234,607	630,504	173,920	173,920
Contributions recognised - capital & contributions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881
Capital expenditure & funds sources										
Capital expenditure	-	-	2,526,600	2,382,686	2,272,350	2,272,350	-	1,976,542	1,900,000	1,900,000
Transfers recognised - capital	349,880	255,129	502,595	511,423	534,201	534,201	-	653,694	514,690	514,690
Public contributions & donations	4,207	-	-	3,000	-	-	-	16,500	17,563	17,563
Borrowing	17,522	2,718	1,100,000	800,000	807,504	807,504	-	-	-	-
Internally generated funds	661,555	1,212,008	924,005	1,068,263	930,645	930,645	-	1,306,348	1,367,747	1,367,747
Total sources of capital funds	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	-	1,976,542	1,900,000	1,900,000
Financial position										
Total current assets	4,614,270	4,138,223	2,776,611	3,245,210	3,117,771	3,630,820	3,630,820	3,908,361	4,157,394	4,959,218
Total non current assets	6,902,126	7,777,555	38,993,994	11,529,774	39,314,503	39,314,503	39,314,503	39,137,411	39,387,978	39,536,075
Total current liabilities	2,074,233	2,345,227	2,903,469	2,989,043	3,697,610	3,697,610	3,697,610	3,485,579	3,781,068	4,524,076
Total non current liabilities	1,299,042	1,262,569	2,182,727	2,493,614	3,291,917	3,291,917	3,291,917	4,213,176	5,033,138	5,432,672
Community wealth/Equity	8,143,121	8,307,982	36,684,409	9,292,326	35,442,747	35,955,797	35,955,797	35,347,016	34,731,166	34,538,544
Cash flows										
Net cash from (used) operating	1,051,642	973,215	323,462	1,040,872	738,811	1,248,295	1,248,295	1,375,933	1,723,143	2,278,216
Net cash from (used) investing	(762,941)	(1,465,542)	(2,561,463)	(2,365,255)	(2,225,914)	(2,222,350)	(2,222,350)	(1,754,748)	(2,300,000)	(2,300,000)
Net cash from (used) financing	(94,594)	(35,791)	984,544	604,227	1,427,114	1,427,114	1,427,114	668,390	817,528	814,828
Cash/cash equivalents at the year end	2,846,505	2,318,387	1,064,930	1,600,540	1,004,940	1,517,989	1,517,989	1,807,565	2,048,236	2,841,280
Cash backing/surplus reconciliation										
Cash and investments available	3,220,893	2,696,485	1,410,583	1,859,247	1,304,158	1,817,207	1,817,207	1,884,989	2,525,660	3,718,705
Application of cash and investments	(18,973,460)	(655,326,096)	732,610	171,446	492,621	538,780	538,780	729,033	1,000,664	1,330,905
Balance - surplus (shortfall)	22,194,353	658,022,581	677,973	1,687,801	811,537	1,278,427	1,278,427	1,155,956	1,524,996	2,387,800
Asset management										
Asset register summary (WDV)	-	-	77,482	-	77,482	77,482	77,482	77,482	77,482	77,482
Depreciation & asset impairment	-	-	1,907,231	510,567	1,951,840	1,951,840	1,951,840	1,951,840	2,049,432	2,151,904
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	778	1,153	65,337	233	-	229	3,768	3,768	16,311	17,927
Revenue cost of free services provided	534,479	547,957	632,395	718,040	-	611,077	629,442	629,442	704,553	774,993
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	1,000	-	1,000	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	50,552	62,198	87,255	49,500,000	-	49,500,000	57,735,268	57,735,268	63,508,795	69,859,674

Draft 2010/11 - 2012/13 Multi-Year Operating Budget

METRO TOTAL

	ACTUAL INCOME / EXPENDITURE 2008 / 2009	BUDGET 2009 / 2010	ACTUAL 6 MONTHS 2009 / 2010	EXPECTED INCOME EXPENDITURE 2009 / 2010	BUDGET 2010 / 2011	% INCREASE Budget to Budget	% OF TOTAL	BUDGET 2011 / 2012	BUDGET 2012 / 2013
	R	R	R	R	R				R
INCOME									
Property Rates	2,389,310,744	2,761,798,586	1,357,706,623	2,715,456,999	3,037,977,468	10%	16.9%	3,341,775,205	3,675,952,726
Less: Income foregone	610,843,844	511,783,081	248,335,619	496,641,117	510,619,900	0%	2.8%	561,681,890	617,850,079
Sub-Total	1,778,466,900	2,250,015,505	1,109,371,004	2,218,815,882	2,527,357,568	12%	14.1%	2,780,093,315	3,058,102,647
Penalties Imposed On Property Rates	108,131,850	100,345,916	42,416,066	84,832,132	100,345,916	0%	0.6%	110,380,508	121,418,560
Interest Earned - Outstanding Debtors	422,540,814	400,000,020	135,039,468	270,078,937	338,677,921	-15%	1.9%	423,347,404	529,184,255
Sub-Total	530,672,664	500,345,936	177,455,534	354,911,069	439,023,837	-12%	2.4%	533,727,912	650,602,815
Electricity Sales	4,048,670,122	5,905,428,908	3,028,052,539	5,804,203,867	7,748,503,095	31%	43.1%	10,459,299,420	14,120,054,215
Solid Waste Income	463,107,826	534,251,414	257,437,518	514,898,195	606,277,066	13%	3.4%	697,204,398	801,785,056
Sanitation Income	458,599,197	532,795,917	260,584,474	521,193,169	655,084,407	23%	3.6%	786,052,953	943,263,545
Water Sales	1,180,942,160	1,744,863,620	913,663,876	1,827,731,034	2,093,553,786	20%	11.6%	2,302,943,612	2,533,237,973
Market Income	16,216,531	13,986,839	9,139,058	16,691,952	16,464,411	18%	0.1%	17,781,564	19,204,089
Minor Income	32,438,112	32,853,595	35,980,786	32,537,932	38,243,965	16%	0.2%	41,303,482	44,607,779
Sub Total: User Charges for Services	6,199,973,949	8,764,180,293	4,504,858,251	8,717,256,149	11,158,126,730	27%	62.0%	14,304,585,429	18,462,152,657
Rent of Facilities and Equipment	51,046,599	42,790,684	21,347,204	42,811,953	41,870,732	-2%	0.2%	45,220,387	48,838,038
Interest Earned - External Investments	117,504,622	59,218,841	25,947,418	51,894,836	56,373,101	-5%	0.3%	70,466,377	88,082,970
Fines	92,720,626	86,986,620	45,626,650	91,863,439	178,362,200	105%	1.0%	196,198,420	215,818,264
Certificates & Permits	25,457,297	27,142,987	11,397,651	23,643,770	25,703,553	-5%	0.1%	27,759,837	29,980,622
Income from Agency Services	142,254,100	165,158,976	81,162,944	162,251,121	149,361,864	-10%	0.8%	164,298,051	180,727,860
Operating Grants & Subsidies	1,971,771,843	2,431,121,904	1,552,624,281	2,423,405,881	2,713,210,666	12%	15.1%	2,998,022,221	2,998,979,495
Capital Grants	505,267,226	586,471,168	99,176,754	526,779,115	630,504,000	8%	3.5%	173,920,000	173,920,000
Gain on Sale of Assets (Gains on disposal of investments)	-	-	-	3,564,753	-	-	0.0%	-	-
Deferred Income	-	-	-	-	-	-	0.0%	-	-
Municipal entities	-	-	-	-	-	-	0.0%	-	-
Other Income	66,897,695	74,472,768	24,409,330	49,861,693	66,855,192	-10%	0.4%	72,203,603	77,979,920
TOTAL OPERATING INCOME	11,482,033,521	14,987,905,682	7,653,377,021	14,667,059,661	17,986,749,433	20%	100.0%	21,366,495,552	25,985,185,288
Internal Transfers:									
Internal Recoveries	1,381,517,341	1,529,315,982	584,487,805	1,182,609,563	1,679,651,379	10%	9.3%	1,844,674,484	2,052,256,789
NET OPERATING INCOME	12,863,550,862	16,517,221,664	8,237,864,826	15,849,669,224	19,666,400,812	19%		23,211,170,036	28,037,442,077

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METRO TOTAL

	ACTUAL INCOME / EXPENDITURE 2008 / 2009		BUDGET 2009 / 2010		ACTUAL 6 MONTHS 2009 / 2010		EXPECTED INCOME EXPENDITURE 2009 / 2010		BUDGET 2010 / 2011		% INCREASE Budget to Budget		% OF TOTAL		BUDGET 2011 / 2012		BUDGET 2012 / 2013		
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	
EXPENDITURE																			
Employee Related Costs - Salaries & Wages	2,725,458,650		3,257,513,864		1,568,782,559		3,153,879,043		3,694,893,463			13%		19.2%		4,004,076,989		4,344,423,473	
Employee Related Costs - Social Contributions	630,348,572		788,130,935		388,846,983		729,494,070		863,007,278			10%		4.5%		936,362,904		1,015,953,715	
Employee Related Costs - Salaries Capitalised	-		(109,300,184)		-		-		(109,300,184)			0%		-0.6%		(118,590,699)		(128,670,906)	
Remuneration of Councillors	58,716,684		66,326,377		29,037,178		62,370,366		72,168,476			9%		0.4%		78,302,797		84,958,533	
Bad Debts (Provision for Bad Debts)	1,453,564,993		1,354,372,981		986,544,119		1,591,999,828		1,535,459,505			13%		8.0%		1,463,756,626		1,800,802,240	
Collection Costs	63,841,260		91,250,200		31,636,062		65,497,711		99,563,380			9%		0.5%		107,528,455		116,130,737	
Depreciation	1,907,231,388		1,951,840,280		255,283,310		1,951,840,280		1,951,840,280			0%		10.2%		2,049,432,302		2,151,903,916	
Repairs and Maintenance - External cost	1,074,009,059		1,168,323,454		499,587,062		1,048,093,939		1,410,647,194			21%		7.3%		1,791,921,981		2,106,241,506	
Repairs and Maintenance - Internal charges	491,620,384		614,427,999		272,541,217		545,817,835		613,974,843			0%		3.2%		667,881,917		726,497,396	
Interest Expense - External Borrowings	181,818,209		325,106,800		129,102,577		274,795,300		486,453,931			50%		2.5%		596,453,931		696,453,931	
Bulk Purchases - Electricity	2,842,924,008		3,852,448,112		2,007,249,921		3,467,203,301		5,070,998,394							6,845,847,831		9,241,884,572	
Bulk Purchases - Water	1,048,850,223		1,224,305,722		577,295,098		1,101,875,150		1,448,539,599							1,632,228,309		1,828,015,730	
Bulk Purchases - Sewer purification	230,235,415		288,750,037		126,723,314		241,875,033		330,940,612							358,294,019		401,271,746	
Total : Bulk Purchases	4,122,009,647		5,345,503,871		2,711,268,333		4,810,953,484		6,850,478,605			28%		35.7%		8,836,370,159		11,471,182,047	
Contracted Services	561,560,314		565,080,559		210,896,630		517,271,787		675,820,050			20%		3.5%		756,918,458		847,748,670	
Grants & Subsidies Paid	53,830,992		62,005,000		25,535,743		62,005,000		79,347,450			28%		0.4%		100,275,246		127,980,265	
General Expenditure	810,122,353		1,133,418,561		389,069,709		824,455,201		985,150,914			-13%		5.1%		1,064,703,528		1,149,196,272	
Loss on Sale of Properties	6,800,784		-		-		-	-	-						-	-		-	
TOTAL OPERATING EXPENDITURE	14,140,933,288		16,614,000,697		7,498,131,482		15,638,473,844		19,209,505,185			16%		100.0%		22,335,394,594		26,510,801,796	
Internal Transfers:																			
Internal Charges	875,763,378		914,882,299		348,799,608		709,807,572		1,065,676,537			16%				1,176,792,567		1,325,759,393	
NET OPERATING EXPENDITURE	15,016,696,666		17,528,882,996		7,846,931,090		16,348,281,416		20,275,181,722			16%				23,512,187,161		27,836,561,189	
OPERATING SURPLUS/(DEFICIT)																			
Contribution to Capital Budget	(2,153,145,804)		(1,011,661,332)		390,933,736		(498,612,192)		(608,780,910)							(301,017,125)		200,880,888	
Total Transfers to Cash-Backed Reserves	-		-		-		-		-							-		-	
Total Transfers from Cash-Backed Reserves	456,520,931		586,471,168		-		-		630,504,000							781,746,185		1,128,578,578	
Total Other Adjustments	-		1,598,132,500		-		0		1,239,284,910							1,084,374,293		929,463,676	
NET OPERATING SURPLUS/(DEFICIT)	(2,609,666,735)		-		390,933,736		(498,612,192)		-							1,610,983		1,765,986	

GT000 Ekurhuleni Metro - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue &		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	1	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Revenue - Standard								
Governance and administration		4,592,664	5,470,282	5,357,471	5,407,493	6,142,058	6,776,973	7,209,459
Executive and council		85,553	66,806	68,634	48,945	70,921	117,092	83,450
Budget and treasury office		4,085,763	4,926,804	4,872,006	5,106,301	5,549,596	6,133,377	6,514,156
Corporate services		421,348	476,672	416,831	252,246	521,541	526,505	611,853
Community and public safety		658,062	428,662	842,600	482,725	779,766	649,696	680,410
Community and social services		22,809	18,849	22,231	23,251	30,257	32,240	34,383
Sport and recreation		73,091	6,810	79,799	63,506	51,341	6,304	6,804
Public safety		235,037	191,987	220,588	77,848	190,573	332,331	233,917
Housing		187,926	24,727	254,711	124,434	224,207	176,973	178,977
Health		139,199	186,289	265,271	193,687	283,387	101,847	226,329
Economic and environmental services		440,513	452,057	598,657	353,860	573,610	413,141	449,017
Planning and development		8,163	4,982	4,176	2,653	3,468	3,744	4,052
Road transport		432,163	443,238	588,646	351,083	567,652	406,707	442,060
Environmental protection		187	3,838	5,835	124	2,491	2,690	2,905
Trading services		7,146,087	9,625,159	9,682,721	9,579,410	12,151,706	15,350,507	19,675,969
Electricity		4,454,589	6,321,560	6,341,659	5,936,199	8,219,736	10,940,890	14,668,404
Water		2,054,203	2,164,140	2,176,598	2,548,208	2,546,710	2,906,181	3,131,068
Waste water management		2	531,180	532,518	554,292	655,087	696,422	943,267
Waste management		637,292	608,279	631,946	540,711	730,173	807,013	933,231
Other	4	26,225	16,549	35,773	26,182	19,260	20,853	22,587
Total Revenue - Standard	2	12,863,551	15,992,709	16,517,222	15,849,670	19,666,400	23,211,170	28,037,442
Expenditure - Standard								
Governance and administration		2,854,841	3,577,660	3,654,018	3,265,619	4,098,253	4,468,090	5,056,988
Executive and council		582,575	543,999	263,367	81,215	364,395	629,763	428,118
Budget and treasury office		1,621,091	2,098,823	2,412,620	2,475,596	2,717,746	2,967,862	3,426,881
Corporate services		651,175	934,838	978,030	708,808	1,016,112	870,465	1,201,990
Community and public safety		2,694,846	2,455,556	2,488,405	2,602,857	2,900,847	3,282,711	3,455,403
Community and social services		511,918	221,293	221,900	232,550	245,596	264,007	291,979
Sport and recreation		560,519	658,978	637,941	617,479	690,387	753,179	823,450
Public safety		842,187	792,139	748,231	851,220	946,034	1,087,393	1,121,309
Housing		205,077	190,095	288,718	231,400	292,823	324,194	363,749
Health		575,145	593,051	591,615	670,206	726,007	853,938	854,915
Economic and environmental services		1,531,126	1,274,430	1,852,545	1,549,108	1,995,231	1,990,502	2,310,109
Planning and development		109,694	152,570	145,388	111,809	130,929	141,348	153,717
Road transport		1,411,201	1,025,648	1,585,813	1,338,018	1,759,486	1,833,292	2,032,680
Environmental protection		10,231	96,212	121,344	99,281	104,816	15,861	123,712
Trading services		7,900,209	8,664,049	9,508,970	8,913,459	11,259,793	13,718,598	16,989,048
Electricity		4,619,064	5,571,863	6,184,806	5,962,490	7,624,491	9,695,563	12,521,023
Water		2,582,650	2,281,867	2,461,598	2,255,487	2,707,320	3,004,025	3,327,183
Waste water management		10,599	62,048	91,766	3,701	53,990	60,185	67,099
Waste management		687,895	748,271	770,801	691,781	873,992	958,826	1,073,742
Other	4	35,676	21,000	24,944	17,240	21,058	52,286	25,014
Total Expenditure - Standard	3	15,016,697	15,992,696	17,528,883	16,348,282	20,275,182	23,512,187	27,836,561
Surplus/(Deficit) for the year		(2,153,146)	13	(1,011,661)	(498,612)	(608,782)	(301,017)	200,881

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

GT000 Ekurhuleni Metro - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand		R '000	R '000	R '000	R '000	R '000	R '000	R '000
Revenue by Vote	1							
Political Office		56,027	67,903	66,868	66,868	69,332	75,393	81,595
City Manager		15,660	201,377	12,898	12,898	12,125	4,579	12,470
Finance		3,952,021	4,729,136	4,500,405	4,500,405	5,201,005	5,928,397	6,089,365
Legal & Administrative Services		41,564	42,744	42,744	42,744	45,976	49,419	54,617
Human Resources		78,156	102,210	102,210	102,210	103,994	112,970	120,932
ICT		264,290	183,826	183,826	183,826	285,858	308,304	333,087
Health		133,165	84,700	157,713	157,713	167,900	94,560	94,560
Infrastructure		2,406,143	3,063,053	3,220,234	3,220,234	3,704,398	3,937,552	4,437,240
Housing		187,926	49,894	254,845	254,845	224,207	176,973	178,977
SRAC		65,786	14,452	62,288	62,288	34,837	15,042	15,804
Community Safety		508,657	461,612	851,556	851,556	793,814	708,136	960,990
Environmental Development		674,814	646,729	696,417	696,417	780,696	834,579	963,002
Electricity & Energy		4,454,589	6,322,909	6,344,999	6,344,999	8,219,736	10,940,890	14,668,404
Strategic Services Cluster		24,753	22,164	20,218	20,218	22,522	24,375	26,399
Example 15 - Vote15		-	-	-	-	-	-	-
Total Revenue by Vote	2	12,863,551	15,992,709	16,517,222	16,517,222	19,666,401	23,211,170	28,037,442
Expenditure by Vote to be appropriated	1							
Political Office		249,489	397,532	104,145	104,145	226,662	245,783	266,282
City Manager		347,746	529,174	526,406	526,406	596,254	609,500	618,463
Finance		898,740	1,590,967	749,668	749,668	847,756	1,459,572	1,245,821
Legal & Administrative Services		206,174	232,146	229,298	229,298	254,230	278,072	306,945
Human Resources		118,494	157,951	151,842	151,842	176,582	191,083	207,553
ICT		266,294	206,590	292,719	292,719	278,713	300,551	324,672
Health		343,544	425,307	415,780	415,780	449,911	488,633	531,132
Infrastructure		4,192,869	3,632,507	4,568,298	4,568,298	4,924,729	5,386,240	5,959,672
Housing		205,077	215,508	269,231	269,231	292,823	324,194	363,749
SRAC		385,138	447,135	433,766	433,766	480,603	519,844	570,241
Community Safety		1,704,940	1,110,523	1,945,951	1,945,951	2,537,382	2,274,452	3,000,725
Environmental Development		1,173,462	1,305,588	1,324,812	1,324,812	1,439,724	1,580,671	1,748,438
Electricity & Energy		4,800,326	5,573,497	6,356,024	6,356,024	7,624,491	9,695,689	12,521,160
Strategic Services Cluster		124,404	168,271	160,942	160,942	145,321	157,904	171,706
Example 15 - Vote15		-	-	-	-	-	-	-
Total Expenditure by Vote	2	15,016,697	15,992,696	17,528,883	17,528,883	20,275,182	23,512,187	27,836,561
Surplus/(Deficit) for the year	2	(2,153,146)	13	(1,011,661)	(1,011,661)	(608,780)	(301,017)	200,882

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

GT000 Ekurhuleni Metro - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Revenue By Source										
Property rates	–	–	1,778,467	2,026,917	2,250,016	2,143,972	2,143,972	2,527,358	2,780,093	3,058,103
Property rates - penalties & collection charges			108,132	100,345	100,346	82,145	82,145	100,346	110,381	121,419
Service charges - electricity revenue	–	–	4,048,670	5,905,429	5,905,429	5,763,470	5,763,470	7,748,503	10,459,299	14,120,054
Service charges - water revenue	–	–	1,180,942	1,744,864	1,744,864	1,784,435	1,784,435	2,093,554	2,302,944	2,533,238
Service charges - sanitation revenue	–	–	458,599	532,796	532,796	554,071	554,071	655,084	786,053	943,264
Service charges - refuse revenue	–	–	463,108	534,251	534,251	494,891	494,891	606,277	697,204	801,785
Service charges - other			48,655	42,151	46,840	84,055	84,055	54,708	59,085	63,812
Rental of facilities and equipment	700,771	17,755	51,047	47,480	42,791	40,987	40,987	41,871	45,220	48,838
Interest earned - external investments			117,505	179,219	59,219	48,846	48,846	56,373	70,466	88,083
Interest earned - outstanding debtors			422,541	400,000	400,000	264,202	264,202	338,678	423,347	529,184
Dividends received			84,913	–	–	–	–	–	–	–
Fines			92,721	86,987	86,987	90,252	90,252	178,362	196,198	215,818
Licences and permits			25,457	29,019	27,143	24,715	24,715	25,704	27,760	29,981
Agency services			142,254	165,159	165,159	161,929	161,929	149,362	164,298	180,728
Transfers recognised - operational			1,971,772	2,401,489	2,431,122	2,720,877	2,720,877	2,713,211	2,998,022	2,998,979
Other revenue	–	–	66,898	267,287	74,473	84,055	84,055	66,855	72,204	77,980
Gains on disposal of PPE			–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	700,771	17,755	11,061,679	14,463,393	14,401,435	14,342,903	14,342,903	17,356,246	21,192,576	25,811,265
Expenditure By Type										
Employee related costs	–	–	3,355,807	4,000,652	3,936,345	3,838,066	3,838,066	4,448,601	4,821,849	5,231,706
Remuneration of councillors			58,717	66,636	66,326	62,370	62,370	72,168	78,303	84,959
Debt impairment			1,453,565	1,143,000	1,354,373	1,854,504	1,854,504	1,535,460	1,463,757	1,800,802
Depreciation & asset impairment	–	–	1,907,231	510,567	1,951,840	1,951,840	1,951,840	1,951,840	2,049,432	2,151,904
Finance charges			181,818	274,795	325,107	221,319	221,319	486,454	596,454	696,454
Bulk purchases	–	–	4,122,010	5,345,504	5,345,504	4,683,563	4,683,563	6,850,479	8,836,370	11,471,182
Other materials			–	–	–	–	–	–	–	–
Contracted services	–	–	561,560	601,894	565,081	422,111	422,111	675,820	756,918	847,749
Transfers and grants	–	–	53,831	62,005	62,005	56,249	56,249	79,347	100,275	127,980
Other expenditure	–	–	1,933,839	2,458,169	2,392,987	1,986,099	1,986,099	2,495,361	2,964,154	3,371,568
Loss on disposal of PPE			6,801	–	–	–	–	–	–	–
Total Expenditure	–	–	13,635,179	14,463,222	15,999,567	15,076,122	15,076,122	18,595,530	21,667,513	25,784,304
Surplus/(Deficit)	700,771	17,755	(2,573,500)	171	(1,598,133)	(733,219)	(733,219)	(1,239,285)	(474,937)	26,961
Transfers recognised - capital			505,267	–	586,471	234,607	234,607	630,504	173,920	173,920
Contributions recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributed assets			–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881
Taxation			–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881
Attributable to minorities			–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881
Share of surplus/ (deficit) of associate			–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	700,771	17,755	(2,068,233)	171	(1,011,662)	(498,612)	(498,612)	(608,781)	(301,017)	200,881

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

GT000 Ekurhuleni Metro - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Political Office	–	553	5,345	3,014	3,102	3,102	1,445	1,085	1,085
City Manager	30	19,910	151,144	277,579	186,608	186,608	130,923	92,734	92,734
Finance	2,793	5,019	5,881	7,978	6,495	6,495	7,260	12,418	12,418
Legal & Administrative Services	181,136	2,668	1,401	8,533	6,780	6,780	4,105	3,114	3,114
Human Resources	800	718	1,818	472	307	307	450	359	359
ICT	1,024	343,049	179,858	155,482	89,541	89,541	68,605	54,769	54,769
Health	15,361	33,391	78,697	94,197	105,660	105,660	152,165	54,554	54,554
Infrastructure	449,695	434,627	1,028,335	624,966	655,157	655,157	661,784	768,517	768,517
Housing	102,938	171,638	268,511	368,735	367,837	367,837	286,228	246,333	246,333
SRAC	70,590	65,868	81,178	79,800	110,492	110,492	57,060	44,507	44,507
Community Safety	34,333	99,099	134,481	134,493	100,781	100,781	57,665	125,182	125,182
Environmental Development	47,742	84,634	191,196	241,612	221,367	221,367	247,971	222,829	222,829
Electricity & Energy	126,723	196,018	386,744	356,942	386,073	386,073	267,582	252,283	252,283
Strategic Services Cluster	–	12,664	12,014	28,884	32,149	32,149	33,300	21,316	21,316
Example 15 - Vote15	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	1,900,000	1,900,000
Single-year expenditure to be appropriated									
Capital single-year expenditure sub-total	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	1,900,000	1,900,000
Capital Expenditure - Standard									
Governance and administration	–	–	241,131	342,952	294,553	294,553	205,237	156,057	156,057
Executive and council			12,731	11,634	117,361	117,361	5,550	4,199	4,199
Budget and treasury office			228,400	331,318	177,192	177,192	199,688	151,858	151,858
Corporate services									
Community and public safety	–	–	642,235	777,931	765,555	765,555	619,556	510,213	510,213
Community and social services			14,441	91,706	55,912	55,912	94,598	50,016	50,016
Sport and recreation			145,448	88,800	135,365	135,365	28,900	34,129	34,129
Public safety			132,900	134,493	100,781	100,781	57,665	125,182	125,182
Housing			268,511	368,735	367,837	367,837	286,228	246,333	246,333
Health			80,936	94,197	105,660	105,660	152,165	54,554	54,554
Economic and environmental services	–	–	1,026,024	585,761	609,241	609,241	471,127	572,107	572,107
Planning and development			11,634	23,630	30,187	30,187	20,050	19,759	19,759
Road transport			953,851	556,341	564,992	564,992	449,804	548,935	548,935
Environmental protection			60,539	5,790	14,062	14,062	1,273	3,413	3,413
Trading services	–	–	614,859	607,043	600,869	600,869	624,412	638,954	638,954
Electricity			410,281	374,942	386,073	386,073	267,582	252,283	252,283
Water			58,299	74,525	59,676	59,676	184,100	211,200	211,200
Waste water management			21,546	–	28,600	28,600	–	–	–
Waste management			124,733	157,576	126,520	126,520	172,730	175,471	175,471
Other	–	–	2,351	68,999	2,132	2,132	56,210	22,669	22,669
Total Capital Expenditure - Standard	–	–	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	1,900,000	1,900,000
Funded by:									
National Government	319,048	254,876	453,314	487,283	487,852	487,852	589,634	514,690	514,690
Provincial Government	30,832	254	49,281	24,140	46,349	46,349	64,060	–	–
District Municipality									
Other transfers and grants									
Transfers recognised - capital	349,880	255,129	502,595	511,423	534,201	534,201	653,694	514,690	514,690
Public contributions & donations	4,207	–	–	3,000	–	–	16,500	17,563	17,563
Borrowing	17,522	2,718	1,100,000	800,000	807,504	807,504	–	–	–
Internally generated funds	661,555	1,212,008	924,005	1,068,263	930,645	930,645	1,306,348	1,367,747	1,367,747
Total Capital Funding	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	1,900,000	1,900,000

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by standard classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

GT000 Ekurhuleni Metro - Table A6 Budgeted Financial Position

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
ASSETS										
Current assets										
Cash	2,846,505	2,318,387	1,064,930	1,600,540	1,004,940	1,517,989	1,517,989	1,807,566	2,048,237	2,841,281
Call investment deposits	34,934	133,997	66,435	–	20,000	20,000	20,000	–	–	–
Consumer debtors	1,617,415	1,325,349	1,171,447	1,325,349	1,611,447	1,611,447	1,611,447	1,611,447	1,611,447	1,611,447
Other debtors	26,957	154,004	284,198	99,537	284,198	284,198	284,198	284,198	284,198	284,198
Current portion of long-term receivables	6,120	76,761	37,906	76,761	37,906	37,906	37,906	37,906	37,906	37,906
Inventory	82,340	129,727	151,695	143,024	159,280	159,280	159,280	167,244	175,606	184,387
Total current assets	4,614,270	4,138,223	2,776,611	3,245,210	3,117,771	3,630,820	3,630,820	3,908,361	4,157,394	4,959,218
Non current assets										
Long-term receivables	157,390	85,222	90,344	85,222	90,344	90,344	90,344	90,344	90,344	90,344
Investments	339,454	244,102	279,218	258,707	279,218	279,218	279,218	77,424	477,424	877,424
Investment property			73,791		73,791	73,791	73,791	73,791	73,791	73,791
Investment in Associate	472,765	480,245	0	480,245	0	0	0	0	0	0
Property, plant and equipment	5,932,517	6,967,986	38,546,950	10,705,599	38,867,459	38,867,459	38,867,459	38,892,161	38,742,729	38,490,825
Agricultural										
Biological										
Intangible			3,691	–	3,691	3,691	3,691	3,691	3,691	3,691
Other non-current assets										
Total non current assets	6,902,126	7,777,555	38,993,994	11,529,774	39,314,503	39,314,503	39,314,503	39,137,411	39,387,978	39,536,075
TOTAL ASSETS	11,516,396	11,915,779	41,770,605	14,774,983	42,432,274	42,945,323	42,945,323	43,045,771	43,545,372	44,495,293
LIABILITIES										
Current liabilities										
Bank overdraft										
Borrowing	54,605	73,629	131,314	479,270	452,820	452,820	452,820	204,824	208,731	632,027
Consumer deposits	294,377	337,898	373,154	372,533	391,812	391,812	391,812	411,402	431,973	453,571
Trade and other payables	1,531,653	1,760,937	2,220,264	1,928,198	2,426,367	2,426,367	2,426,367	2,653,080	2,902,465	3,176,788
Provisions	193,599	172,762	178,738	209,043	426,611	426,611	426,611	216,273	237,900	261,690
Total current liabilities	2,074,233	2,345,227	2,903,469	2,989,043	3,697,610	3,697,610	3,697,610	3,485,579	3,781,068	4,524,076
Non current liabilities										
Borrowing	1,127,826	1,054,196	1,945,601	2,241,482	3,031,078	3,031,078	3,031,078	3,926,253	4,717,522	5,085,495
Provisions	171,216	208,373	237,127	252,132	260,839	260,839	260,839	286,923	315,615	347,177
Total non current liabilities	1,299,042	1,262,569	2,182,727	2,493,614	3,291,917	3,291,917	3,291,917	4,213,176	5,033,138	5,432,672
TOTAL LIABILITIES	3,373,275	3,607,796	5,086,197	5,482,657	6,989,527	6,989,527	6,989,527	7,698,756	8,814,206	9,956,748
NET ASSETS	8,143,121	8,307,982	36,684,409	9,292,326	35,442,747	35,955,797	35,955,797	35,347,016	34,731,166	34,538,544
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	5,737,485	5,951,744	29,509,494	9,292,326	29,865,965	30,379,014	30,379,014	31,009,518	31,478,043	32,214,885
Reserves	2,405,636	2,356,239	7,174,915	–	5,576,783	5,576,783	5,576,783	4,337,498	3,253,123	2,323,660
Minorities' interests										
TOTAL COMMUNITY WEALTH/EQUITY	8,143,121	8,307,982	36,684,409	9,292,326	35,442,747	35,955,797	35,955,797	35,347,016	34,731,166	34,538,544

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

GT000 Ekurhuleni Metro - Table A7 Budgeted Cash Flows

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other	8,919,661	8,969,522	9,904,319	14,361,656	13,414,600	12,851,187	12,851,187	16,394,916	19,517,440	23,702,797
Government - operating										
Government - capital										
Interest	290,830	797,328	198,702	579,219	59,219	51,895	51,895	56,373	70,466	88,083
Dividends										
Payments										
Suppliers and employees	(7,994,327)	(8,613,555)	(9,597,741)	(13,625,208)	(12,409,901)	(11,379,991)	(11,379,991)	(14,588,902)	(17,268,310)	(20,816,210)
Finance charges	(164,522)	(180,080)	(181,818)	(274,795)	(325,107)	(274,795)	(274,795)	(486,454)	(596,454)	(696,454)
Transfers and Grants										
NET CASH FROM/(USED) OPERATING ACTI	1,051,642	973,215	323,462	1,040,872	738,811	1,248,295	1,248,295	1,375,933	1,723,143	2,278,216
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	3,859	6,497	478							
Decrease (Increase) in non-current debtors	242,911									
Decrease (increase) other non-current receivables			33,733							
Decrease (increase) in non-current investment	23,453	(2,184)	(69,073)	17,431	46,435	46,435	46,435	221,794	(400,000)	(400,000)
Payments										
Capital assets	(1,033,164)	(1,469,856)	(2,526,600)	(2,382,686)	(2,272,350)	(2,268,785)	(2,268,785)	(1,976,542)	(1,900,000)	(1,900,000)
NET CASH FROM/(USED) INVESTING ACTIV	(762,941)	(1,465,542)	(2,561,463)	(2,365,255)	(2,225,914)	(2,222,350)	(2,222,350)	(1,754,748)	(2,300,000)	(2,300,000)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing	(126,683)	(79,312)	1,100,000	801,598	1,616,473	1,616,473	1,616,473	1,101,620	1,001,782	1,001,960
Increase (decrease) in consumer deposits	32,089	43,522	35,256	17,740	18,658	18,658	18,658	19,591	20,570	21,599
Payments										
Repayment of borrowing			(150,712)	(215,111)	(208,017)	(208,017)	(208,017)	(452,820)	(204,824)	(208,731)
NET CASH FROM/(USED) FINANCING ACTIV	(94,594)	(35,791)	984,544	604,227	1,427,114	1,427,114	1,427,114	668,390	817,528	814,828
NET INCREASE/ (DECREASE) IN CASH HELI	194,106	(528,118)	(1,253,457)	(720,155)	(59,990)	453,059	453,059	289,576	240,671	793,044
Cash/cash equivalents at the year begin:	2,652,399	2,846,505	2,318,387	2,320,695	1,064,930	1,064,930	1,064,930	1,517,989	1,807,565	2,048,236
Cash/cash equivalents at the year end:	2,846,505	2,318,387	1,064,930	1,600,540	1,004,940	1,517,989	1,517,989	1,807,565	2,048,236	2,841,280

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

GT000 Ekurhuleni Metro - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Cash and investments available										
Cash/cash equivalents at the year end	2,846,505	2,318,387	1,064,930	1,600,540	1,004,940	1,517,989	1,517,989	1,807,565	2,048,236	2,841,280
Other current investments > 90 days	34,934	133,997	66,435	–	20,000	20,000	20,000	0	0	0
Non current assets - Investments	339,454	244,102	279,218	258,707	279,218	279,218	279,218	77,424	477,424	877,424
Cash and investments available:	3,220,893	2,696,485	1,410,583	1,859,247	1,304,158	1,817,207	1,817,207	1,884,989	2,525,660	3,718,705
Application of cash and investments										
Unspent conditional transfers	135,732	167,385	159,233	–	159,233	159,233	159,233	159,233	159,233	159,233
Unspent borrowing										
Statutory requirements										
Other working capital requirements	(19,109,192)	(655,493,481)	573,377	171,446	333,388	379,547	379,547	569,800	841,431	1,171,672
Other provisions										
Long term investments committed	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments										
Total Application of cash and investments:	(18,973,460)	(655,326,096)	732,610	171,446	492,621	538,780	538,780	729,033	1,000,664	1,330,905
Surplus(shortfall)	22,194,353	658,022,581	677,973	1,687,801	811,537	1,278,427	1,278,427	1,155,956	1,524,996	2,387,800

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

GT000 Ekurhuleni Metro - Table A9 Asset Management

Description	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
CAPITAL EXPENDITURE									
Total New Assets	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	2,379,953	2,277,722
Infrastructure - Road transport	394,278	390,347	966,288	546,841	473,607	473,607	214,637	413,550	177,250
Infrastructure - Electricity	126,723	196,018	352,545	356,942	345,132	345,132	168,400	207,710	211,882
Infrastructure - Water	55,417	44,280	45,607	74,525	59,676	59,676	86,995	111,100	124,000
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	47,742	81,502	63,291	157,576	126,520	126,520	124,750	147,296	134,000
Infrastructure	624,160	712,147	1,427,732	1,135,884	1,004,935	1,004,935	594,782	879,656	647,132
Community	120,284	198,358	178,145	383,196	361,452	361,452	261,323	258,779	289,000
Investment properties	102,938	171,638	261,107	368,735	367,837	367,837	286,228	308,558	308,558
Other assets	185,782	387,712	659,616	494,871	538,125	538,125	834,209	932,961	1,033,032
Intangibles	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	-	-	-	-	-	-	-	-	-
Total Capital Expenditure									
Infrastructure - Road transport	394,278	390,347	966,288	546,841	473,607	473,607	214,637	413,550	177,250
Infrastructure - Electricity	126,723	196,018	352,545	356,942	345,132	345,132	168,400	207,710	211,882
Infrastructure - Water	55,417	44,280	45,607	74,525	59,676	59,676	86,995	111,100	124,000
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	47,742	81,502	63,291	157,576	126,520	126,520	124,750	147,296	134,000
Infrastructure	624,160	712,147	1,427,732	1,135,884	1,004,935	1,004,935	594,782	879,656	647,132
Community	120,284	198,358	178,145	383,196	361,452	361,452	261,323	258,779	289,000
Investment properties	102,938	171,638	261,107	368,735	367,837	367,837	286,228	308,558	308,558
Other assets	185,782	387,712	659,616	494,871	538,125	538,125	834,209	932,961	1,033,032
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1,033,164	1,469,856	2,526,600	2,382,686	2,272,350	2,272,350	1,976,542	2,379,953	2,277,722
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport									
Infrastructure - Electricity									
Infrastructure - Water									
Infrastructure - Sanitation									
Infrastructure - Other									
Infrastructure	-	-	-	-	-	-	-	-	-
Investment properties	-	-	73,791	-	73,791	73,791	73,791	73,791	73,791
Other assets	-	-	3,691	-	3,691	3,691	3,691	3,691	3,691
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	-	-	77,482	-	77,482	77,482	77,482	77,482	77,482
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	-	-	1,907,231	510,567	1,951,840	1,951,840	1,951,840	2,049,432	2,151,904
Repairs and Maintenance by Asset Class	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	-	-	1,907,231	510,567	1,951,840	1,951,840	1,951,840	2,049,432	2,151,904
% of capital exp on renewal of assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and R&M as a % of PPE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category
7. Including repairs and maintenance to agricultural, biological and intangible assets

GT000 Ekurhuleni Metro - Table A10 Basic service delivery measurement

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue &		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Household service targets (000)	1									
Water:										
Piped water inside dwelling		389	402	435	454		454	487	548	551
Piped water inside yard (but not in dwelling)					35		35	32	29	26
Using public tap (at least min.service level)	2				76		76	64	24	24
Other water supply (at least min.service level)	4				2		2	2	2	2
Minimum Service Level and Above sub-total		389	402	435	567	-	567	585	603	603
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	389	402	435	567	-	567	585	603	603
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		424	431	466	457		457	495	524	527
Flush toilet (with septic tank)					3		3	3	3	3
Chemical toilet					5		5			
Pit toilet (ventilated)					100		100	87	76	73
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		424	431	466	565	-	565	585	603	603
Bucket toilet					1		1			
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		-	-	-	1	-	1	-	-	-
Total number of households	5	424	431	466	566	-	566	585	603	603
Energy:										
Electricity (at least min.service level)				274						
Electricity - prepaid (min.service level)				9	6		6	8		
Minimum Service Level and Above sub-total		-	-	283	6	-	6	8	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	283	6	-	6	8	-	-
Refuse:										
Removed at least once a week		728	746	755	57,000		57,000	63,141	69,455	76,401
Minimum Service Level and Above sub-total		728	746	755	57,000	-	57,000	63,141	69,455	76,401
Removed less frequently than once a week		5	4	3	10,000		10,000	14,000	15,400	16,940
Using communal refuse dump		41	53	82	33,000		33,000	36,000	39,600	43,560
Using own refuse dump		-	-	-	6,500		6,500	7,735	8,509	9,360
Other rubbish disposal		-	-	-	-		-	-	-	-
No rubbish disposal		5	5	3						
<i>Below Minimum Service Level sub-total</i>		51	62	87	49,500	-	49,500	57,735	63,509	69,860
Total number of households	5	779	808	842	106,500	-	106,500	120,876	132,964	146,260
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		14	12	39	454		454	487	548	551
Sanitation (free minimum level service)		3	2	8	457		457	495	524	527
Electricity/other energy (50kwh per household per month)		788,000	154	275						
Refuse (removed at least once a week)		40	53	82			3,500			
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		29	36	178	157		157	187	222	232
Sanitation (free sanitation service)		8	24	110	72		72	81	89	95
Electricity/other energy (50kwh per household per month)		22	33	63,253	2		2			
Refuse (removed once a week)		720	1,060	1,796	2		2	3,500	16,000	17,600
Total cost of FBS provided (minimum social pack)		778	1,153	65,337	233	-	229	3,768	16,311	17,927
Highest level of free service provided										
Property rates (R'000 value threshold)										
Water (kilolitres per household per month)		6	6	6	6		6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6		6	6	6	6
Sanitation (Rand per household per month)		12	12	12	12		12	13	14	15
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		-	-	-	-		-	-	-	-
Property rates (other exemptions, reductions and rebates)		533,701	546,804	567,058	717,808		610,844	625,674	688,242	757,066
Water		29	36	178	157		157	187	222	232
Sanitation		8	24	110	72		72	81	89	95
Electricity/other energy		22	33	63,253	2		2			
Refuse		720	1,060	1,796	2		2	3,500	16,000	17,600
Municipal Housing - rental rebates		-	-	-	-		-	-	-	-
Housing - top structure subsidies		-	-	-	-		-	-	-	-
Other		-	-	-	-		-	-	-	-
Total revenue cost of free services provided (total social package)		534,479	547,957	632,395	718,040	-	611,077	629,442	704,553	774,993

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

Draft 2010/11 - 2012/13 Multi-Year Operating Budget

METRO - CONSOLIDATED WITH ENTITIES

	ACTUAL INCOME / EXPENDITURE 2008 / 2009	BUDGET 2009 / 2010	ACTUAL 6 MONTHS 2009 / 2010	EXPECTED INCOME EXPENDITURE 2009 / 2010	BUDGET 2010 / 2011	% INCREASE Budget to Budget	% OF TOTAL	BUDGET 2011 / 2012	BUDGET 2012 / 2013
	R	R	R	R	R				R
INCOME									
Property Rates	2,389,310,744	2,761,798,586	1,357,706,623	2,715,456,999	3,037,977,458	10%	16.4%	3,341,775,205	3,675,952,726
Less: Income foregone	610,843,844	511,783,081	248,335,619	496,641,117	510,619,900	0%	2.8%	561,681,890	617,850,079
Sub-Total	1,778,466,900	2,250,015,505	1,109,371,004	2,218,815,882	2,527,357,558	12%	13.6%	2,780,093,315	3,058,102,647
Penalties Imposed On Property rates	108,131,850	100,345,916	42,416,066	84,832,132	100,345,916	0%	0.5%	110,380,508	121,418,560
Interest Earned - Outstanding Debtors	422,540,814	401,760,770	135,039,468	272,063,159	340,361,921	-15%	1.8%	425,300,404	531,343,255
Sub-Total	530,672,664	502,106,686	177,455,534	356,895,291	440,707,837	-12%	2.4%	535,680,912	652,761,815
Electricity Sales	4,048,670,122	5,905,428,908	3,028,052,539	5,804,203,867	7,748,503,095	31%	41.8%	10,459,299,420	14,120,054,215
Solid Waste Income	463,107,826	534,251,414	257,437,518	514,898,195	606,277,066	13%	3.3%	697,204,398	801,785,056
Sanitation Income	458,599,197	799,954,071	527,742,628	788,351,323	998,479,409	25%	5.4%	1,225,714,405	1,495,410,280
Water Sales	1,180,942,160	1,744,863,620	913,663,876	1,827,731,034	2,093,563,786	20%	11.3%	2,302,943,612	2,533,237,973
Market Income	16,216,531	13,986,839	9,139,058	16,691,952	16,464,411	18%	0.1%	17,781,564	19,204,089
Minor Income	32,438,112	50,724,733	45,695,956	42,253,102	54,637,466	8%	0.3%	58,442,143	63,135,499
Sub Total: User Charges for Services	6,199,973,949	9,049,209,585	4,781,731,575	8,994,129,473	11,517,915,233	27%	62.2%	14,761,385,542	19,032,827,112
Rent of Facilities and Equipment	51,046,599	61,233,517	39,784,712	61,249,461	61,783,236	1%	0.3%	66,637,945	71,874,899
Interest Earned - External Investments	117,504,622	59,453,841	26,400,166	52,347,584	56,873,514	-4%	0.3%	71,026,831	88,697,470
Fines	92,720,626	86,986,620	45,626,650	91,863,439	178,362,200	105%	1.0%	196,198,420	215,818,264
Certificates & Permits	25,457,297	27,142,987	11,397,651	23,643,770	25,703,553	-5%	0.1%	27,759,837	29,980,622
Income from Agency Services	142,254,100	165,158,976	81,162,944	162,251,121	149,361,864	-10%	0.8%	164,298,051	180,727,860
Operating Grants & Subsidies	1,971,771,843	2,439,514,236	1,586,694,505	2,457,476,105	2,799,810,245	15%	15.1%	3,048,656,530	3,023,355,014
Capital Grants	505,267,226	586,471,168	99,176,754	526,779,115	630,504,000	8%	3.4%	173,920,000	173,920,000
Gain on Sale of Assets (Gains on disposal of investments)	-	-	-	3,564,753	-	-	0.0%	-	-
Deferred Income	-	-	-	-	-	-	0.0%	-	-
Municipal entities	-	-	-	-	-	-	0.0%	-	-
Other Income	66,897,695	137,950,985	80,086,957	105,539,320	131,321,199	-5%	0.7%	138,235,327	148,520,927
TOTAL OPERATING INCOME	11,482,033,521	15,365,244,106	8,038,888,452	15,054,555,314	18,519,700,439	21%	100.0%	21,963,892,710	26,676,586,630
Internal Transfers:									
Internal Recoveries	1,381,517,341	1,529,315,982	584,487,805	1,182,609,563	1,679,651,379	10%	9.1%	1,844,674,484	2,052,256,789
NET OPERATING INCOME	12,863,550,862	16,894,560,088	8,623,376,257	16,237,164,877	20,199,351,818	20%		23,808,567,194	28,728,843,419

Draft 2010/11 - 2012/13 Multi-Year Operating Budget

METRO - CONSOLIDATED WITH ENTITIES

	ACTUAL INCOME / EXPENDITURE 2008 / 2009		BUDGET 2009 / 2010		ACTUAL 6 MONTHS 2009 / 2010		EXPECTED INCOME EXPENDITURE 2009 / 2010		BUDGET 2010 / 2011		INCREASE Budget to Budget	% OF TOTAL	BUDGET 2011 / 2012		BUDGET 2012 / 2013	
	R	R	R	R	R	R	R	R	R	R			R	R	R	R
EXPENDITURE																
Employee Related Costs - Salaries & Wages	2,725,458,650	3,376,066,749	1,689,503,312	3,274,599,796	1,689,503,312	3,836,151,017	3,836,151,017	3,836,151,017	3,836,151,017	3,836,151,017	14%	19.5%	4,156,328,173	4,503,978,043	4,156,328,173	4,503,978,043
Employee Related Costs - Social Contributions	630,348,572	788,697,450	389,401,943	730,049,030	389,401,943	863,723,336	863,723,336	863,723,336	863,723,336	863,723,336	10%	4.4%	937,129,086	1,016,796,516	937,129,086	1,016,796,516
Employee Related Costs - Salaries Capitalised	-	(109,300,184)	-	-	-	(109,300,184)	-	-	(109,300,184)	-	0%	-0.6%	(118,590,699)	(128,670,906)	(118,590,699)	(128,670,906)
Remuneration of Councillors	58,716,684	66,788,377	29,477,178	62,810,366	29,477,178	72,654,183	72,654,183	72,654,183	72,654,183	72,654,183	9%	0.4%	78,826,275	85,522,802	78,826,275	85,522,802
Bad Debts (Provision for Bad Debts)	1,453,564,993	1,355,276,567	988,447,707	1,593,903,416	988,447,707	1,537,562,061	1,593,903,416	1,593,903,416	1,537,562,061	1,537,562,061	13%	7.8%	1,465,918,166	1,803,206,365	1,465,918,166	1,803,206,365
Collection Costs	63,841,260	92,271,530	41,968,734	66,530,383	41,968,734	100,664,380	66,530,383	100,664,380	100,664,380	100,664,380	9%	0.5%	108,673,205	117,337,325	108,673,205	117,337,325
Depreciation	1,907,231,388	1,974,414,441	284,979,551	1,981,536,521	284,979,551	1,983,165,231	1,981,536,521	1,983,165,231	1,983,165,231	1,983,165,231	21%	10.1%	2,082,546,988	2,185,728,902	2,082,546,988	2,185,728,902
Repairs and Maintenance - External cost	1,074,009,059	1,206,508,693	534,678,015	1,083,184,892	534,678,015	1,462,650,517	1,083,184,892	1,462,650,517	1,462,650,517	1,462,650,517	0%	7.4%	1,856,334,136	2,178,261,236	1,856,334,136	2,178,261,236
Repairs and Maintenance - Internal charges	491,620,384	614,427,999	272,541,217	545,817,835	272,541,217	613,974,843	545,817,835	613,974,843	613,974,843	613,974,843	0%	3.1%	667,881,917	726,497,396	667,881,917	726,497,396
Interest Expense - External Borrowings	181,818,209	357,095,614	149,134,141	294,826,864	149,134,141	520,584,592	294,826,864	520,584,592	520,584,592	520,584,592	46%	2.6%	664,909,958	827,633,337	664,909,958	827,633,337
Bulk Purchases - Electricity	2,842,924,008	3,852,448,112	2,007,249,921	3,467,203,301	2,007,249,921	5,070,998,394	3,467,203,301	5,070,998,394	5,070,998,394	5,070,998,394			6,845,847,831	9,241,894,572	6,845,847,831	9,241,894,572
Bulk Purchases - Water	1,048,850,223	1,314,087,368	668,865,213	1,193,445,265	668,865,213	1,568,752,616	1,193,445,265	1,568,752,616	1,568,752,616	1,568,752,616			1,787,814,047	2,022,510,819	1,787,814,047	2,022,510,819
Bulk Purchases - Sewer purification	230,235,415	288,750,037	126,723,314	241,875,033	126,723,314	330,940,612	241,875,033	330,940,612	330,940,612	330,940,612			358,294,019	401,271,746	358,294,019	401,271,746
Total : Bulk Purchases	4,122,009,647	5,435,285,517	2,802,838,448	4,902,523,599	2,802,838,448	6,970,691,622	4,902,523,599	6,970,691,622	6,970,691,622	6,970,691,622	28%	35.4%	8,991,955,897	11,665,677,137	8,991,955,897	11,665,677,137
Contracted Services	561,560,314	565,080,559	210,896,630	517,271,787	210,896,630	675,820,050	517,271,787	675,820,050	675,820,050	675,820,050	20%	3.4%	756,918,458	847,748,670	756,918,458	847,748,670
Grants & Subsidies Paid	53,830,992	62,005,000	25,535,743	62,005,000	25,535,743	79,347,450	62,005,000	79,347,450	79,347,450	79,347,450	28%	0.4%	100,275,246	127,980,265	100,275,246	127,980,265
Grants Expenditure																
General Expenses - Other	810,122,353	1,207,147,234	450,728,530	886,114,022	450,728,530	1,062,713,645	886,114,022	1,062,713,645	1,062,713,645	1,062,713,645	-12%	5.4%	1,148,209,357	1,236,394,868	1,148,209,357	1,236,394,868
Loss on Sale of Properties	6,800,784	-	-	-	-	-	-	-	-	-			-	-	-	-
TOTAL OPERATING EXPENDITURE	14,140,933,288	16,991,765,546	7,870,131,149	16,001,173,511	7,870,131,149	19,670,402,743	16,001,173,511	19,670,402,743	19,670,402,743	19,670,402,743	16%	100.0%	22,897,316,163	27,194,091,956	22,897,316,163	27,194,091,956
Internal Transfers:																
Internal Charges	875,763,378	914,882,299	348,799,608	709,807,572	348,799,608	1,065,676,537	709,807,572	1,065,676,537	1,065,676,537	1,065,676,537	16%		1,176,792,567	1,325,759,393	1,176,792,567	1,325,759,393
NET OPERATING EXPENDITURE	15,016,696,666	17,906,647,845	8,218,930,757	16,710,981,083	8,218,930,757	20,736,079,280	16,710,981,083	20,736,079,280	20,736,079,280	20,736,079,280	16%		24,074,108,730	28,519,851,349	24,074,108,730	28,519,851,349
OPERATING SURPLUS/(DEFICIT)	(2,153,145,804)	(1,012,087,757)	404,445,500	(473,816,206)	404,445,500	(536,727,462)	(473,816,206)	(536,727,462)	(536,727,462)	(536,727,462)			(265,541,536)	208,992,070	(265,541,536)	208,992,070
Contribution to Capital Budget	-	-	-	-	-	-	-	-	-	-			-	-	-	-
Total Transfers to Cash-Backed Reserves	456,520,931	586,471,168	-	-	-	630,504,000	-	-	630,504,000	630,504,000			781,746,185	1,128,578,578	781,746,185	1,128,578,578
Total Transfers from Cash-Backed Reserves	-	1,598,132,500	-	-	-	1,239,284,910	-	-	1,239,284,910	1,239,284,910			1,084,374,293	929,463,676	1,084,374,293	929,463,676
Total Other Adjustments	0	0	0	0	0	0	0	0	0	0			0	0	0	0
NET OPERATING SURPLUS/(DEFICIT)	(2,609,666,735)	(426,425)	404,445,500	(473,816,206)	404,445,500	72,053,448	(473,816,206)	72,053,448	72,053,448	72,053,448			37,086,572	9,877,168	37,086,572	9,877,168

VOTES AFFECTED BY CONSOLIDATION WITH ENTITIES

DRAFT ITEM

E&E: (RS) (2010/0X/0XX): ELECTRICITY TARIFF INCREASE FOR 01 JULY 2010, BASED ON AN ESTIMATED 35% INCREASE TO EKURHULENI CUSTOMERS

PURPOSE OF THE REPORT

This report requests Council to consider an increase of **35%** in the price of electricity to our customers (inclusive of the 0, 25% required for the continuation of the energy efficiency fund). **The figure is based on a figure of a 35% Eskom increase in terms of the City's bulk purchases.**

- This item needs to serve at all relevant Council structures and be resolved at the end May Council meeting for implementation on 1 July 2010.
- At the time of this report no confirmation of any possible expected increases could be obtained.
- To report to Council that Eskom increases bulk tariffs to the City on 01 July 2010.
- No formal guidelines on the Eskom increase or the figure that municipalities will be allowed to pass on, have been received from any structure of Government.
- It is assumed that the total Eskom increases in the price of bulk electricity will result in a **35%** increase to Ekurhuleni on 01 July 2010, valid until 30 June 2011.
- To make recommendations on the adjustments that Council needs to make to its own Schedule of Tariffs for the Supply of Electricity, given the above constraints, as indicated in **Annexure "A"**.

RECOMMENDATION

1. **That** the contents of the DRAFT report by the General Manager: Electricity and Energy, on the electricity tariff increase and structural adjustments for 01 July 2010, **BE NOTED**.
2. **That** the assumed Eskom increase totalling 35% on the price of bulk electricity, as of 01 July 2010, **BE NOTED**.
3. **That** an increase of 0% on Tariff A Lifeline customers, **BE NOTED**.
4. **That** an increase to Ekurhuleni customers totalling 35% or more, as specified on Tariff C and Tariff D, on the price of electricity as of 01 July 2010, **BE APPROVED**.
5. **That** the Ekurhuleni Metropolitan Municipality's Electricity Tariffs **BE AMENDED** as consolidated in **Annexure "A"** to the report in terms of Section 75A of the Local Government: Municipal Systems Act, Act 32 of 2000, with effect from 01 July 2010, subject to approval by the National Energy Regulator of South Africa.
6. **That** the 3% maintenance fund, **BE RETAINED**, in its current format.
7. **That** the 0, 25% energy efficiency fund, **BE CONTINUED** to continue the energy efficiency / demand side management fund, in the same way as the maintenance fund.
8. **That** the Executive Director: Legal & Administrative Services **ATTEND** to the compliance with all relevant legislation to give effect to **5** above.

9. That an information letter **BE DISTRIBUTED** to all Ekurhuleni electricity customers.

MOTIVATION

The following unknown factors still exist in relation to electricity tariffs:

- The Eskom increase that will be allowed by NERSA for Eskom's municipal customers (01 July 2010), this value assumed to be 35%;
- The extent to which certain tariffs will be "protected" from strong increases, i.e. the lifeline tariff (increased by 0% in the schedule of tariffs). Individual tariffs have strong relationships with one another and allowing a low increase on one tariff creates an adverse effect on the relationship with another tariff or tariffs;
- The possibility of electricity quotas, i.e. the implementation of the NERSA power conservation scheme.

TARIFF INCREASES (PRELIMINARY)

In the absence of guidelines (formal or informal) from NERSA, Council's existing electricity tariffs were increased by 35% across the board, barring Tariff C and Tariff D winter rates, as indicated in **Annexure "A"**. The two tariffs both had a 39% increase in winter demand charges and a 36% in winter energy rates, to compensate for the very high Eskom winter rates. The only exception to this increase is for Tariff A – Lifeline, which is not increased. This tariff has the following description:

TARIFF A - LIFELINE

- This tariff is available for single-phase 230 V connections with a capacity of **up to 20 A** or 4 600 Watt.
- This tariff is only available for prepayment metering customers.
- This tariff will suit low consumption residential and micro business customers.

Note 1: A prepayment token of 100 kWh per metering point per month may be provided to residential customers.

Although the tariff is available, not many customers have migrated to the tariff. Other tariffs mostly have a connection size of 60 Amperes, but in this case, the connection size is restricted to 20 Ampere. This restriction is in line with at least Tshwane and Eskom.

It is proposed that a letter explaining the extent of the 01 July 2010 tariff increases in Ekurhuleni 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.

The existing schedule of electricity deposits is contained in the schedule of tariffs and it is proposed that this be adapted as indicated.

In view of the contents of this report it is recommended that Council's existing Schedule of Tariffs be amended as detailed in the recommendations.

FINANCIAL IMPLICATIONS

The proposed electricity tariff increases and structural changes are designed to generate a figure of 31, 6% more income for Ekurhuleni due to a 2, 5% negative growth in consumption, compared to Council's present electricity tariffs.

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 R230 million in the 2010/2011 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 the level of increase, this fund is estimated to accumulate to a total of R19 million in the 2010/2011 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 rollout subsidy may qualify.

STRATEGIC PRIORITY

Wards affected: All

Priority IDP: Income

Strategic priority addressed:

- Good governance / Public participation
- LED / Poverty Alleviation / Job Creation
- Urban Renewal
- Safety and Security
- HIV / Aids
- Skills development
- Infrastructural and maintenance backlogs

COMMENTS FROM RELEVANT DEPARTMENTS (ATTACHED AS ANNEXURE "C")

Finance Department

Legal and Administrative Services



DRAFT (not complete)
SCHEDULE OF TARIFFS
35% schedule

FOR THE

SUPPLY OF ELECTRICITY

*THIS SCHEDULE OF TARIFFS MUST STILL BE APPROVED BY THE NATIONAL
ENERGY REGULATOR OF SOUTH AFRICA FOR IMPLEMENTATION ON
01 JULY 2010*

Start date: 01 JULY 2010
End date: 30 JUNE 2011

VAT EXCLUDED

GENERAL

- All tariffs listed below, show VAT excluded.
- Any penalty / incentive scheme imposed by higher authorities will be in addition to this schedule of tariffs.
- The cross-over from existing tariffs to new tariffs will be billed pro rata.
- All municipal consumption (in terms of Council business, residential use or rental use) is to be levied according to one of these approved tariffs only.
- No formal advice on tariff choice will be given to any Tariff C or D customer.

DEFINITIONS

Capacity Charge	Monthly charge to recover the costs of demand placed on the electricity grid, measured in available Ampere, applicable whether electricity is consumed or not.
Demand Charge	Seasonally differentiated charge based on the highest demand registered during a billing month for all time periods, or only those specified, measured in kVA.
Deposit	A once-off, refundable payment provided by a customer to Ekurhuleni as a security for the due payment of electricity accounts. The amount may be adjusted when a customer places the City at risk.
Fixed Charge	Monthly charge to recover the costs of the administration of the account, such as meter reading, billing and meter capital, applicable whether electricity is consumed or not.
Licensed Area of Supply	An area for which the National Energy Regulator of South Africa has issued a license to Ekurhuleni under the provisions of the Energy Regulation Act of August 2006, as amended, for the supply of electricity in that area. Ekurhuleni tariffs are applicable where Ekurhuleni is licensed to supply.
Network Access Charge	A tariff component, per kVA registered, based on the highest demand registered over a rolling 12 month period, during all hours.
Notified Maximum Demand	The maximum demand notified in writing by Ekurhuleni and accepted by the supplier, mostly Eskom.

TARIFF A - LIFELINE

- This tariff is available for single-phase 230 V connections with a capacity of **up to 20 A** or 4 600 Watt.
- This tariff is only available for prepayment metering customers.
- This tariff will suit low consumption residential and micro business customers.

The following charges will be payable:

Energy Charge (c/kWh)			
A.L.1. High Demand Season (June, July and August)		A.L.2. Low Demand Season (September to May)	
VAT exclusive		VAT exclusive	
R0.70		R0.63	
A.L.3. An additional charge , in c/kWh, in the case of repayment for an <u>electricity connection only</u> for low cost housing (period = 05 years from connection date):		A.L.4. An additional charge , in c/kWh, in the case of repayment for an <u>electricity readyboard only</u> for low cost housing (period = 03 years from readyboard purchase date):	
VAT exclusive		VAT exclusive	
R0.04, 40		R0.03, 70	
A.L.5. An additional charge , in c/kWh, in the case of repayment for <u>both an electricity connection and a readyboard</u> for low cost housing (period = 05 years from connection date):			
VAT exclusive			

Note 1: A prepayment token of 100 kWh per metering point per month may be provided to residential customers.

Note 2: Prepayment systems will be adjusted on 01 June of each year for winter prices and will revert back to summer prices on 01 September.

Note 3: A connection to low cost housing may be supplied at no up-front cost, upon successful application. An additional charge will be levied on each electricity unit sold for the indicated periods. The size of these connections is fixed at **20 Ampere**. Conditions apply.

TARIFF A

- This tariff is available for single-phase 230 V connections with a capacity of up to 60 A per phase.
 - Low consumption customers on Tariff A can move to Tariff A Lifeline upon application. Tariff A Lifeline has a 20 Ampere size restriction and customers must convert to prepayment metering.
- This tariff will suit low consumption residential and micro business customers.
- Residential customers using in excess of 2 000 kilowatt-hour units per month are not allowed on this tariff. If the 2 000 kilowatt-hour threshold is exceeded 3 times in a 12 month period, the tariff shall be changed to Tariff B.

The following charges will be payable:

Energy Charge (c/kWh)			
A.1. High Demand Season (June, July and August)		A.2. Low Demand Season (September to May)	
VAT exclusive		VAT exclusive	
R1.20, 42		R0.99, 90	
A.3. An additional charge , in c/kWh, in the case of repayment for an <u>electricity connection only</u> for low cost housing (period = 05 years from connection date):		A.4. An additional charge , in c/kWh, in the case of repayment for an <u>electricity readyboard only</u> for low cost housing (period = 03 years from readyboard purchase date):	
VAT exclusive		VAT exclusive	
R0.04, 40		R0.03, 70	
A.5. An additional charge , in c/kWh, in the case of repayment for <u>both an electricity connection and a readyboard</u> for low cost housing (period = 05 years from connection date):			
VAT exclusive			
R0.08, 10			

Note 1: If the electricity is used for residential purposes the amount of electricity consumed shall be reduced by 100 kWh per metering point per month before the above charge is calculated. If the consumption for a specific month is less than 100 kWh per metering point the consumption charge will be zero. In the case of a prepayment electricity dispenser, a token of 100 kWh per metering point per month may be provided to the customer.

Note 2: Prepayment systems will be adjusted on 01 June of each year for winter prices and will revert back to summer prices on 01 September.

TARIFF B

- This tariff is available for single-phase 230 V and multi-phase 400/230 V connections with a capacity of up to 150 A per phase or 100 kVA.
- This tariff is not available for medium and high voltage customers.
- This tariff will suit medium to high consumption residential and small business customers.

The following charges will be payable:

Fixed Charge (Rand/month)
B.1. A fixed charge , whether electricity is consumed or not, per month, per point of supply, excluding prepayment

metering customers. The amount is charged once per month only for a three phase connection:	
VAT exclusive	
R18.23	
Capacity Charge (Rand/Ampere)	
B.2. A capacity charge , whether electricity is consumed or not, per Ampere of supply capacity, per month, per point of supply. For calculating the capacity of a connection, the capacities of all the phases of a multi-phase connection shall be added together.	
VAT exclusive	
R2.03	
Optional Internet based consumption display (Rand/month)	
B.3. If the electricity consumption is displayed on the internet, an additional monthly charge of:	
VAT exclusive	
R200.00	
Energy Charge (c/kWh)	
B.4. High Demand Season (June, July and August)	B.5. Low Demand Season (September to May)
VAT exclusive	VAT exclusive
R0.87, 21	R0.68, 58
B.6. A consumption charge , per metering point, per kWh consumed during any meter reading period for residential consumption only, higher than 2 500 kWh units per month:	
VAT exclusive	
R1.50	

Note 1: The capacity of a supply shall be the capacity as determined by the Engineer.

Note 2: Prepayment systems will be adjusted on 01 June of each year for winter prices and will revert back to summer prices on 01 September.

Note 3: No free basic electricity is available on this tariff, apart from the entities and individuals specified in the Free Basic Electricity Policy. Conditions apply.

Note 4: On multiple residential units with bulk metering, such as flats, townhouses and so forth, the total kWh consumption will be divided between the number of residential units and only the excess units above 2 500 will be charged at the step rate. The step rate is not levied to schools, churches, old age homes and children's homes. B.6 is levied on a per residence principle and not a per household principle. Granny flats and similar are not considered separate residences.

Note 5: The optional internet based display will have costs related to equipment to be installed and this will be for the cost of the customer.

TARIFF C

- This tariff is available for bulk supplies at any voltage and with a capacity of at least 25 kVA.
- This tariff will suit large residential, business and industrial customers.
- This tariff is for existing Tariff C customers only, no new customers will be allowed on this tariff.
- This tariff is not available to high voltage customers (supply voltage exceeding 11 kV).

The following charges will be payable:

Fixed Charge (Rand/month)					
C.1. A fixed charge , whether electricity is consumed or not, per month, per point of supply,:					
C.1.1. If the electricity is supplied at 230/400 V:			C.1.2 If the electricity is supplied at a voltage higher than 230/400 V but not exceeding 11 kV:		
VAT exclusive			VAT exclusive		
R769.50			R1 080.00		
C.1.3. If the electricity is supplied at a voltage higher than 11 kV:					
VAT exclusive					
R1 960.00					
Demand Charge (Rand/kVA)					
C.2. A demand charge , per kVA registered, per month, per point of supply:					
C.2.1. High Demand Season (June, July and August)			C.2.2. Low Demand Season (September to May)		
Voltage		VAT exclusive	Voltage		VAT exclusive
C.2.1.1.	230/400 V	R154.51	C.2.2.1.	230/400 V	R123.98
C.2.1.2.	230/400 V, See note 2 direct from substation	R151.75	C.2.2.2.	230/400 V, See note 2 direct from substation	R121.77
C.2.1.3.	>230/400V & <= 11kV	R148.99	C.2.2.3.	>230/400 V & <= 11kV	R119.56
C.2.1.4.	>11kV	R137.96	C.2.2.4.	>11kV	R110.70
Network Access Charge (NAC) (Rand/kVA)					
C.2.3. A network access charge , per kVA registered, based on the highest demand registered over a rolling 12 month period, during all hours.			C.2.3.a. On a standby supply, in cases where the use of the supply may have an effect on Council's own demand payable, the network access charge will be levied at the full installed capacity of the connection.		
Voltage		VAT exclusive			
C.2.3.1.	230/400 V	R20.41			
C.2.3.2.	230/400 V, See note 2 direct from substation	R20.05			
C.2.3.3.	>230/400V & <= 11kV	R19.68			
C.2.3.4.	>11kV	R18.23			
C.2.3.5. Eskom NMD charges. Where an Ekurhuleni customer requests an increase in notified maximum demand (NMD) at a direct Eskom point of delivery, the customer NAC shall be deemed equal to the NMD from the date that the additional capacity is made available by Eskom. Existing cases will be dealt with on an individual basis. Ekurhuleni reserves the right to evaluate any requested increase in the NMD at any Eskom point of delivery. If the NMD is exceeded, NAC charges will prevail. Eskom penalty rates for exceeding NMD will be charged to the customer, as outlined in the Eskom document titled: <i>Notification of demand or changes to notified maximum demand rules, latest revision</i> , at the Ekurhuleni NAC rate. A request for an increase or decrease in NMD by a customer will be made to Ekurhuleni and Ekurhuleni will, after consideration, agree or not agree to increase or decrease the NMD. Note: Eskom, if in agreement, may still continue charging the higher NMD for a period of 12 months and this will be passed on to the customer. Note: Where an Ekurhuleni customer requests an increase in capacity affecting any Eskom point of delivery,					

monthly NMD costs incurred may be charged to the customer if the full capacity is not taken up immediately.							
Off-peak option							
C.2.4. The off-peak option remains available for existing off-peak customers from 21:00 to 07:00 on weekdays and from 14:00 on Fridays to 07:00 on Mondays and from 21:00 on 15 December to 07:00 on 02 January. The network access charge will be levied on the highest demand registered over a rolling 12 month period, as per C.2.3.							
Energy Charge (c/kWh)							
C.3. An energy charge, per kWh consumed:							
C.3.1. High Demand Season (June, July and August)				C.3.2. Low Demand Season (September to May)			
Voltage		VAT exclusive		Voltage		VAT exclusive	
C.3.1.1.	230/400 V	R0.56, 51		C.3.2.1.	230/400 V	R0.35, 23	
C.3.1.2. See note 2	230/400 V, direct from substation	R0.55, 50		C.3.2.2. See note 2	230/400 V, direct from substation	R0.34, 60	
C.3.1.3.	>230/400 V & <= 11kV	R0.54, 49		C.3.2.3.	>230/400 V & <= 11kV	R0.33, 97	
C.3.1.4.	>11kV	R0.50, 46		C.3.2.4.	>11kV	R0.31, 46	

Note 1: Concession – When the user entity is a nonprofit organization registered in terms of the provisions of the Nonprofit Organizations Act, Act 71 of 1997, for the following specific purposes:-

- the care of old people;
- the care of children;
- the care of the physically or mentally handicapped,

the **network access charges** will not be applied. To qualify for this concession, an application, with supportive documents, need to be made to the General Manager: Electricity and Energy for consideration.

Note 2: The “230/400 V direct from substation” tariff will only be applied to a low voltage customer who has:

- paid for the full transformer capacity, and
- take this supply within 10 meter from the transformer, i.e. the meter inside the transformer enclosure or within 10 meter from this enclosure.

Note 3: No free basic electricity is available on this tariff, apart from the entities and individuals specified in the Free Basic Electricity Policy. Conditions apply.

TARIFF D

- This tariff is available for bulk supplies at any voltage and with a capacity of at least 100 kVA.
- This tariff will suit large residential, business and industrial customers.

The following charges will be payable:

Fixed Charge (Rand/month)					
D.1. A fixed charge , whether electricity is consumed or not, per month, per point of supply,:					
D.1.1. If the electricity is supplied at 230/400 V:			D.1.2 If the electricity is supplied at a voltage higher than 230/400 V but not exceeding 11 kV:		
VAT exclusive			VAT exclusive		
R769.50			R1 080.00		
D.1.3. If the electricity is supplied at a voltage higher than 11 kV:					
VAT exclusive					
R1 960.00					
Demand Charge (Rand/kVA)					
D.2. A demand charge , per kVA registered, per month, per point of supply:					
D.2.1. High Demand Season (June, July and August)			D.2.2. Low Demand Season (September to May)		
Voltage		VAT exclusive	Voltage		VAT exclusive
D.2.1.1.	230/400 V	R34.92	D.2.2.1.	230/400 V	R33.91
D.2.1.2.	230/400 V, See note 2 direct from substation	R34.30	D.2.2.2.	230/400 V, See note 2 direct from substation	R33.31
D.2.1.3.	>230/400V & <= 11kV	R33.67	D.2.2.3.	>230/400 V & <= 11kV	R32.70
D.2.1.4.	>11kV	R31.18	D.2.2.4.	>11kV	R30.28
Network Access Charge (NAC) (Rand/kVA)					
D.2.3. A network access charge , per kVA registered, based on the highest demand registered over a rolling 12 month period, during all hours.			D.2.3.a. On a standby supply, in cases where the use of the supply may have an effect on Council's own demand payable, the network access charge will be levied at the full installed capacity of the connection.		
Voltage		VAT exclusive			
D.2.3.1.	230/400 V	R20.41			
D.2.3.2.	230/400 V, See note 2 direct from substation	R20.05			
D.2.3.3.	>230/400V & <= 11kV	R19.68			
D.2.3.4.	>11kV	R18.23			
D.2.3.5. Eskom NMD charges. Where an Ekurhuleni customer requests an increase in notified maximum demand (NMD) at a direct Eskom point of delivery, the customer NAC shall be deemed equal to the NMD from the date that the additional capacity is made available by Eskom. Existing cases will be dealt with on an individual basis. Ekurhuleni reserves the right to evaluate any requested increase in the NMD at any Eskom point of delivery. If the NMD is exceeded, NAC charges will prevail. Eskom penalty rates for exceeding NMD will be charged to the customer, as outlined in the Eskom document titled: <i>Notification of demand or changes to notified maximum demand rules, latest revision</i> , at the Ekurhuleni NAC rate. A request for an increase or decrease in NMD by a customer will be made to Ekurhuleni and Ekurhuleni will, after consideration, agree or not agree to increase or decrease the NMD. Note: Eskom, if in agreement, may still continue charging the higher NMD for a period of 12 months and this will be passed on to the customer. Note: Where an Ekurhuleni customer requests an increase in capacity affecting any Eskom point of delivery, monthly NMD costs incurred may be charged to the customer if the full capacity is not taken up immediately.					

Energy Charge (c/kWh)								
D.3. An energy charge, per kWh consumed:								
D.3.1. High Demand Season (June, July and August)								
		Peak					Off-Peak	
Voltage		VAT exclusive			VAT exclusive		VAT exclusive	
D.3.1.1.	230/400 V	R1.73, 64		D.3.1.5.	R0.66, 56		D.3.1.9	R0.48, 74
D.3.1.2.	230/400 V, direct from substation See note 2	R1.70, 54		D.3.1.6.	R0.65, 38		D.3.1.10	R0.47, 87
D.3.1.3.	>230/400V & <= 11kV	R1.67, 44		D.3.1.7.	R0.64, 19		D.3.1.11	R0.47, 00
D.3.1.4.	>11kV	R1.55, 04		D.3.1.8.	R0.59, 43		D.3.1.12	R0.43, 52
D.3.2. Low Demand Season (September to May)								
		Peak					Off-Peak	
Voltage		VAT exclusive			VAT exclusive		VAT exclusive	
D.3.2.1.	230/400 V	R0.65, 32		D.3.2.5.	R0.50, 50		D.3.2.9.	R0.43, 39
D.3.2.2.	230/400 V, direct from substation See note 2	R0.64, 15		D.3.2.6.	R0.49, 60		D.3.2.10	R0.42, 62
D.3.2.3.	>230/400 V & <= 11kV	R0.62, 99		D.3.2.7.	R0.48, 70		D.3.2.11	R0.41, 84
D.3.2.4.	>11kV	R0.58, 32		D.3.2.8.	R0.45, 09		D.3.2.12	R0.38, 75
Energy Efficiency Rebate (c/kWh)								
D.5. A rebate on the kWh and demand amounts according to the following criteria:								
D.5.1. If a customer implemented an energy efficiency and/or demand side management system that will result in a proven annual saving of 15% or more on the pre-implementation baseline consumption. A detailed report certifying the aforementioned is to be submitted to the General Manager: Electricity and Energy for approval before this rebate will be considered. The rebate will be valid for a period equal to 12 months, or until the current set of tariffs lapses, whichever comes first. Further conditions will apply. In the case of any nationally implemented incentive or penalty tariff system, this portion of the tariff will no longer be applicable.								
Rebate value: 1%								

Note 1: Demand registered during off-peak hours will not be taken into account when calculating the demand charge payable.

Note 2: The "230/400 V direct from substation" tariff will only be applied to a low voltage customer who has:

- paid for the full transformer capacity, and
- take this supply within 10 meter from the transformer, i.e. the meter inside the transformer enclosure or within 10 meter from this enclosure.

Note 3: A newly established site may be exempted from demand charges for a limited period in order to conclude installation tests, upon prior application to the General Manager: Electricity and Energy. Conditions will be attached in the case of favourable consideration.

Note 4: Concession – When the user entity is a nonprofit organization registered in terms of the provisions of the Nonprofit Organizations Act, Act 71 of 1997, for the following specific purposes:-

- the care of old people;
- the care of children;
- the care of the physically or mentally handicapped,

the **network access charges** will not be applied. To qualify for this concession, an application, with supportive documents, need to be made to the General Manager: Electricity and Energy for consideration.

Note 5: For the purposes of this tariff:

Peak Hours will be from 07:00 to 10:00 and 18:00 to 20:00 on weekdays.

Standard Hours will be from 06:00 to 07:00, 10:00 to 18:00 and 20:00 to 22:00 on weekdays and from 07:00 to 12:00 and 18:00 to 20:00 on Saturdays.

Off-peak Hours will be from 22:00 to 06:00 on weekdays, 12:00 to 18:00 and 20:00 to 07:00 on Saturdays and all of Sundays.

A public holiday falling on a weekday will be treated as a Saturday. An unexpectedly announced public holiday will be treated as the day of the week on which it falls.

Note 6: No free basic electricity is available on this tariff, apart from the entities and individuals specified in the Free Basic Electricity Policy. Conditions apply.

TARIFF F

- This tariff will be suitable for street light and traffic light consumption.

Fixed Charge (Rand/month)			
F.1. A fixed charge, per month, per point of supply:			
VAT exclusive			
R30.51			
Street light Energy Charge (c/kWh)			
F.2. High Demand Season (June, July and August)		F.3. Low Demand Season (September to May)	
VAT exclusive		VAT exclusive	
R0.73, 31		R0.58, 05	
Traffic light Energy Charge (c/kWh)			
F.4. High Demand Season (June, July and August)		F.5. Low Demand Season (September to May)	
VAT exclusive		VAT exclusive	
R0.63, 99		R0.43, 20	

Note 1: Un-metered street lights will be deemed to operate for 10 hours per night, 365 nights per annum, at its actual size in kilowatts plus 20% of this size to compensate for control gear losses, i.e. each 125 Watt mercury vapour lamp will be treated as a 150 Watt lamp, or 0, 15 kilowatt. Calculation: Street light consumption per month = number of street lights x (the actual kilowatt of one street light x 1, 2) x 10 hours per day x 30 days x summer / winter rate detailed above.

Note 2: Un-metered traffic lights will be deemed to operate for 24 hours a day, 365 days per annum, at its actual size in kilowatts. In the absence of detailed figures for a traffic light, the size will be assumed as 1 kilowatt. Calculation: Traffic light consumption per month = number of traffic lights x actual kilowatt of one traffic light intersection (or 1 kilowatt) x 24 hours a day x 30 days x summer / winter rate detailed above.

TARIFF G

- This tariff will be suitable for the purchase of "green" electricity, if available.

Green Energy Charge (c/kWh)	
G.1. An energy charge surcharge on the applicable tariff, per kWh consumed:	
VAT exclusive	
R0.40	

Note 1: Customers will be required to contract for the clean power for a period of time.

Note 2: Customers will receive a certificate that the power supply is green, for a period of time equal to the contract period and for a particular portion, or the entire supply.

MISCELLANEOUS CHARGES

The following charges will be payable:

1. For changing from one tariff to another:	
VAT exclusive	
R0.0	
Note 1: A customer will be charged according to the new tariff for a minimum period of 12 months after any	

<i>change of tariff. New customers will however be allowed to change once within the first year after having been connected to the network.</i>	
Note 2: <i>The cost of any changes to metering equipment necessitated by the change of tariff will be for the account of the customer, unless otherwise decided by the Engineer.</i>	
Note 3: <i>No customer is allowed to change <u>to</u> Tariff C.</i>	
2. For the delivery of a notice of intended disconnection where a customer has failed to pay his account on the due date:	
VAT exclusive	
R60.00	
3. For discontinuing and restoring a supply due to non-payment of the account	
3.1. For discontinuing a supply due to non-payment of the account:	
VAT exclusive	
R105.00	
3.2. For restoring a supply due to non-payment of the account:	
VAT exclusive	
R105.00	
Note 1: <i>If an attempt to discontinue a supply is unsuccessful due to action taken by the customer this charge will also be payable in respect of each such attempt.</i>	
4. For discontinuing and restoring a supply at the request of a customer	
4.1. For disconnecting a supply at the customer's request:	
VAT exclusive	
R105.00	
4.2. For reconnecting a supply at the customer's request:	
VAT exclusive	
R105.00	
Note 1: <i>This charge will not be payable in respect of a disconnection done because of the termination of a supply agreement or in respect of a reconnection done because of a new supply agreement that was entered into.</i>	
5. For re-instating a customer connection that has been removed due to tampering by the customer:	
Estimated cost of material, labour and transport + 10% with a minimum charge of:	
VAT exclusive	
R1 700.00	
Note 1: <i>The connection reinstated will not necessarily be identical to the one removed.</i>	
6. For reading a meter:	
6.1. On request of a customer:	
VAT exclusive	
R125.00	
Note 1: <i>The above amount will be refunded to the customer if the requested reading proves the current reading on record to be defective. It will also not be payable in respect of readings taken because of the commencement or termination of a supply agreement.</i>	
6.2 After office hours on a regular basis as arranged by a customer:	
VAT exclusive	
R125.00	
7. For repeatedly attending to a customer complaint where the reason for the complaint is not the fault of the supply authority, per visit:	
VAT exclusive	
R150.00	
8. For testing the accuracy of a meter on request of a customer:	
VAT exclusive	
R350.00	
Note 1: <i>The above amount will be refunded to the customer if the accuracy of the meter proves to be out of the</i>	

<i>specified limits.</i>		
9. For the lease of a transformer, per month, per kVA of transformer capacity:		
VAT exclusive		
R1.70		
Note 1: <i>This service is subject to the availability of suitable transformers.</i>		
10. For providing a service connection:		
Estimated cost of material, labour and transport plus 10%		
Note 1: <i>The amount payable may be reduced if funds are available from another source.</i>		
11. For modifying a service connection on request of a customer:		
Estimated cost of material, labour and transport plus 10%		
12. For the provision of material or equipment or the execution of work on behalf of a customer or on request of a customer:		
Estimated cost of material, labour and transport plus 10%		
13. For exempting a customer's water heating apparatus from control by the supply authority, per month:		
VAT exclusive		
R100.00		
Note 1: <i>In cases where there is more than one geyser in a residence, Council reserves the right to install a controlling device on <u>each</u> geyser. A customer requesting exemption from this control will be required to pay the above amount in respect of every geyser exempted from Council's intended installation.</i>		
Note 2: <i>In the case of exemption, the owner of the property will be responsible for the amount stated above.</i>		
Note 3: <i>The above cost is based on a geyser capacity of up to 200 litres. Geysers with a larger capacity that is exempted from heating control, will pay the above amount pro-rata.</i>		
14. Meter access problems		
14.1. Security townships without a manned gate, where access to meters is not possible during day light hours <u>will be</u> charged a fixed rate per meter per month in addition to an estimated consumption charge. An application may be made to the General Manager: Electricity and Energy to investigate the possibility of an alternative arrangement in terms of the metering layout.		
VAT exclusive		
R50.00		
14.2. Any other metering point, where access to meters is not possible during day light hours <u>may be</u> charged a fixed rate per meter per month in addition to an estimated consumption charge. An application may be made to the General Manager: Electricity and Energy to investigate the possibility of an alternative arrangement in terms of the metering layout.		
VAT exclusive		
R15.00		
15. Excavations within public areas leading to damage to electricity cables		
15.1. In the case of damage to a low voltage cable or line installation, or any part of that installation		
Estimated cost of material, labour and transport plus 10%		
15.2. In the case of damage to a medium or high voltage cable or line installation, or any part of that installation		
Estimated cost of material, labour and transport plus 10%, with a minimum charge of R30 000, 00		
Note 1: <i>In cases where the excavation occurred without authorization, or where the provisions of the wayleave policy were not followed, Council reserves the right to institute further steps.</i>		
16. Purchasing a solar geyser by means of an Ekurhuleni scheme (once available, conditions apply).		
Actual cost		
17. Operational cost for a street light supplied from the Ekurhuleni grid, per month.		
17.1. 125 Watt lamp	VAT exclusive	VAT inclusive
	R65.00	
17.2. 250 Watt lamp	VAT exclusive	

	R110.00	
17.3 400 Watt lamp	VAT exclusive	
	R180.00	
18. Charge for providing a clearance certificate when a meter reading cannot be obtained. Average of previous consumption values, or a fixed charge of R1 000.00 per month.		
19. Connecting to the electricity grid without a supply agreement		
	VAT exclusive	
	R1 500.00	
20. Tariff to remove an illegal electricity connection and to reinstate the network:		
	VAT exclusive	
	R1 500.00	
21. Reselling electricity at excessive charges which are not justified to the satisfaction of the Engineer, following a written notice to comply (charged per month since date of notice):		
	VAT exclusive	
	R5 000.00	
22. Painting, defacing, tampering or interfering with any service connection or service protection device or supply or any other equipment of the Council:		
	VAT exclusive	
	R1 500.00	
23. Wilfully hindering, obstructing, interfering with or refusing admittance to any duly authorized official of the Council in the performance of his duty under these by-laws or of any duty connected therewith or relating thereto, per incident:		
	VAT exclusive	
	R1 500.00	

DEPOSIT SCHEDULE

DESCRIPTION	DEPOSIT (VAT excl.)
Single phase connection up to 80 Ampere, all use (residential, business or other).	
Tariff A or Tariff B customer (OWNER of premises)	R2 700.00
Tariff A or Tariff B customer (TENANT on premises)	R3 550.00
Electricity prepayment meter customer	R0.00
Single phase connection up to 80 Ampere (PENSIONER, residential only).	
Tariff A or Tariff B customer (PENSIONER – based on assessment rates criteria in respect of owner, registered tenant or registered “life right” tenant)	R1 000.00
Single phase connection above 80 Ampere, all use (residential, business or other).	
Tariff B customer	R6 500.00
Three phase connection up to 3 x 80 Ampere, all use (residential, business or other).	
Tariff A or Tariff B customer	R9 200.00
Three phase connection higher than 3 x 80 Ampere, all use (residential, business or other).	
Tariff B customer	R23 900.00
All customers on Tariff C or Tariff D	
Tariff C (business, industrial, residential or other use)	2 x consumption*
Tariff D (business, industrial, residential or other use)	2 x consumption*
Tariff E (business, industrial, residential or other use)	2 x consumption*
Defaulting debtors	
All tariffs	2 x consumption

***The Engineer will determine the exact amount based on the expected Load Factor of the customer.**

Note 1: A revised deposit may be requested when a customer moves between tariffs and / or for an increase in connection size.

Note 2: Bank guarantees will only be accepted for Tariff C and D customers to a maximum of 1/3 (one third) of the required deposit.

The following shall be noted:

- 1. The Ekurhuleni Metropolitan Municipality shall have the right to refuse to sell or supply electricity to any customer who has any unsettled debt with the Municipality.**
- 2. These tariffs shall be read in conjunction with the By-Laws for the Supply of Electricity, as well as applicable policies published by the Ekurhuleni Metropolitan Municipality.**

Ekurhuleni Metropolitan Municipality
01 July 2010 rev0

ITEM

IS: WSO: (2010/01/???): PROPOSED INCREASE IN TARIFFS – WATER SERVICES FOR THE 2010/2011 FINANCIAL YEAR

PURPOSE OF THE REPORT

To obtain Council's approval for the proposed Water Services 2010/2011 tariff increases.

RECOMMENDATION

1. **That** the contents of the report by the Acting Executive Director: Infrastructure Services to obtain Council's approval for the proposed new Water Services Tariffs (Water and Waste Water) from 1 July 2010, **BE NOTED**.
2. **That** the proposed EMM Water Supply Services and Incidental Charges Tariffs **BE AMENDED** as detailed in **Annexure "A"** attached to the report with effect from 01 July 2010.
3. **That** the proposed EMM Sewage Disposal Services and Incidental Charges Tariffs **BE AMENDED** as detailed in **Annexure "B"** attached to the report with effect from 01 July 2010.
4. **That** the Executive Director: Legal and Administrative Services **ENSURE COMPLIANCE** with all relevant legislation to give effect to **(2)** and **(3)** above.
5. **That** the Chief Financial Officer **BE COMMISSIONED** to arrange for Council's billing system to be adapted to accommodate the tariffs effective to consumptions as from 01 July 2010 and accounts as from those generated in July 2010 on a prorate basis where applicable.

BACKGROUND

MOTIVATION

The main issues to be considered in determining the tariff increases for 2010/2011 are as follows:

- **Bulk Purchases of Water**

Bulk purchase of water comprises 46.78% of the Water Service expenditure. At the Major Vaal River User Forum held on 4 August 2009, representatives of the Department of Water Affairs and Environment as well as the Trans Caledon Tunnel Authority announced the following increase in the Vaal River Raw Water Tariff:

	2010/11 c/kl	2009/10 c/kl	Increase %
State schemes	44.03	41.36	6.50
Augmentation schemes	179.19	166.46	7.65
Total development & use of water works	223.22	207.82	7.41

At a Water Services Forum held on 14 October 2009, representatives of Rand Water submitted their tariff increase for 2010/2011 as 15.1%. This is subject to representations being made by affected role players such as Municipalities and SALGA. Final approval of the Rand Water increase was not yet available at the writing of this report and the compilation of the proposed Water Tariffs for 2010/ 2011. The proposed tariffs were calculated on the assumption that the Rand Water tariff increase will be 15.1%.

- **Treatment Charges ERWAT**

The waste water treatment services by ERWAT comprise 10.69% of the total expenditure budget of Water Services. The amount provided on the 2010/2011 budget for this service amounts to R330 940 954,00 and reflects an increase of 24.77% on the 2009/2010 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 at the instruction of the Finance Department been increased from the current budgeted amount of R232 652 650,00 for 2009/2010 to an amount of R390 665 425,00 (67.92% increase) for 2010/2011. This is warranted in view of the actual bad debt provision which amounted to R436 376 086,00 at the 2008/2009 year end versus the originally budgeted amount of R183 552 521,00 for 2008/2009 (increase 138%).

- **Depreciation**

The provision for depreciation has at the instruction of the Finance Department been increased from the current budgeted amount of R4 082 840,00 for 2009/2010 to an amount of R210 591 110,00 (5057.96% increase) for 2010/2011. This is warranted in view of the actual depreciation provision which amounted to R207 054 835,30 at the 2008/2009 year end versus the originally budgeted amount of R35 280 000,00 for 2008/2009 (increase 486%).

- **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 2009/2010 financial year. It is recommended that this levy be maintained at 2% for 2010/2011.

The budgeted expenditure of R353 773 601,00 on repairs and maintenance comprises 11.43% of the Water Services total expenditure and reflects an increase of 3.6% on the previous years budget.

COMPARISON OF EMM WATER SERVICES TARIFFS 2009/2010 WITH OTHER METRO'S

EMM's tariffs for the current financial year compares as follows for a 30 day period to that of Johannesburg, Tshwane, Ethekewini and Cape Town:

Water – Residential Use

JHB kl	JHB R/kl	Tshwane kl	Tshwane R/kl	EMM kl	EMM R/kl
0 - 6	free	0 - 6	4,27	0 - 6	free
7 - 10	4,66	7 - 12	6,10	7 - 15	6,40
11 - 15	6,83	13 - 18	8,00	16 - 30	7,80
16 - 20	8,79	19 - 24	9,25	31 – 45	9,60
21 - 30	10,64	25 - 30	10,57	46 - 60	9,95
31 - 40	10,83	31 - 42	11,44	60 +	11,00
40 +	13,04	43 - 72	12,24		
		72 +	13,10		

Ethekewini kl	Ethekewini R/kl	Cape Town kl	Cape Town R/kl
0-9	Free	0-6	Free
10-25	8,47	7-12	3,66
26-30	11,29	13-20	7,81
31-45	17,41	21-40	11,57
45+	19,14	41-50	14,29
		50+	18,85

The present cost for the consumption of 20 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekewini R/kl	Tshwane R/kl	Cape Town R/kl
20kl	96,60	96,74	93,17	128,72	84,44

The present cost for the consumption of 30 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekewini R/kl	Tshwane R/kl	Cape Town R/kl
30kl	174,60	203,14	236,67	229,14	200,14

Water – Institutional Use

JHB kl	JHB R/kl	Tshwane kl	Tshwane R/kl	EMM kl	EMM R/kl
0 - 200	9,27	0 – 10 000	9,02	Fixed	7,55
200 +	9,35	10 001-100 000	8,55		
		100 000 +	7,97		

Ethekwini kl	Ethekwini R/kl	Cape Town kl	Cape Town R/kl
Fixed	8,87	Fixed	7,37

The present cost for the consumption of 200 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekwini R/kl	Tshwane R/kl	Cape Town R/kl
200kl	1 510,00	2 562,00	1 882,16	1 804,00	1 474,00

Water – Business, Commercial, Industrial

JHB kl	JHB R/kl	Tshwane kl	Tshwane R/kl	EMM kl	EMM R/kl
0 - 200	12,81	0 – 10 000	9,02	0 - 200	9,30
200 +	12,93	10 001 – 100 000	8,55	201 - 1 000	8,95
		100 000 +	7,97	1 001 - 2 500	8,75
				2501 - 5000	8,35
				5001 - 25000	8,15
				25001 - 50000	7,75
				50 000 +	7,55

Ethekwini kl	Ethekwini R/kl	Cape Town kl	Cape Town R/kl
Fixed	8,87	Fixed	8,35

The present cost for the consumption of 200 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekwini R/kl	Tshwane R/kl	Cape Town R/kl
200kl	1 860,00	2 562,00	1 882,16	1 804,00	1 670,00

The present cost for the consumption of 4200 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekwini R/kl	Tshwane R/kl	Cape Town R/kl
4200kl	36 340,00	54 282,00	37 686,72	37 884,00	35 070,00

Waste Water – Residential

JHB Erf Size	JHB R/month	EMM kl	EMM R/kl	Tshwane kl	Tshwane R/kl
Up to 300m ²	66,27	0 – 6	Free	0 – 5,88	3,10
301m ² – 1000m ²	129,00	7 – 15	4,75	5,88 – 11,28	4,20
1001m ² – 2000m ²	195,16	16 – 30	1,97	11,28 – 15,78	5,42
2000m ² +	281,20	31 – 45	1,80	15,78 – 16,98	5,42
		46 – 60	1,74	19,98 – 20,10	5,42
		61 +	0,64	20,10 – 21,10	5,42
				21,10 – 21,12	5,42

Ethekwini	Ethekwini R/kl	Cape Town kl	Cape Town R/kl
No comparison		70% of water consumption - maximum 35kl	
Included in		0-4,2	Free
Assessment Rates		4,3-8,4	4,29
		8,5-14	9,12
		15-28	9,97
		28-35	10,46

The present cost for the consumption of 20 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	Cape Town R/kl	Tshwane R/kl
20kl	52,60	69,09	71,80

The present cost for the consumption of 30 kiloliters in the Metro's is as follows:

Consumption	EMM R/kl	Cape Town R/kl	Tshwane R/kl
30kl	72,30	138,88	99,99

Waste Water – Institutional

JHB kl	JHB R/kl	EMM kl	EMM R/kl	Tshwane kl	Tshwane R/kl
Fixed	9,77	Fixed	4,40	45% of water consumption	3,47

Ethekwini kl	Ethekwini R/kl	Cape Town kl	Cape Town R/kl
Fixed	4,72	95% of water consumption	6,41

The present cost for the consumption of 200 kiloliter in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekwini R/kl	Tshwane R/kl	Cape Town R/kl
200kl	880,00	1 954,00	944,00	312,30	1 217,90

Waste Water – Business/ Commercial/ Industrial

JHB kl	JHB R/kl	EMM kl	EMM R/kl	Tshwane kl	Tshwane R/kl
Fixed	9,77	0 - 200	5,15	60% of water consumption	3,47
		201 - 1000	4,05		
		1001 - 2500	2,37		
		2501 - 5000	1,16		
		5001 - 25000	1,04		
		25001 - 50000	0,98		
		50 001 +	0,52		

Ethekwini kl	Ethekwini R/kl	Cape Town kl	Cape Town R/kl
Fixed	4,72	95% of water consumption	6,41

The present cost for the consumption of 200 kiloliter in the Metro's is as follows:

Consumption	EMM R/kl	JHB R/kl	Ethekwini R/kl	Tshwane R/kl	Cape Town R/kl
200kl	1 030,00	1 954,00	944,00	416,40	1 217,90

From the above comparison it can be concluded that EMM's water services tariffs is in line with that of the other Metro's.

PROPOSED TARIFF INCREASE FOR 2010/2011

Water Services is a commercial service which requires it to be operated and managed on a surplus basis. This surplus makes an essential contribution towards the total revenue of the Municipality. Based on the current years budget, five months actual income and expenditure, increases in the major cost components of bulk purchases from Rand Water and treatment costs from ERWAT, and an estimated growth in consumption of 2.5% for 2010/2011, the water tariffs have been adjusted with 15.5% and the waste water tariffs with 18.8% to achieve an estimated surplus of R78 595 506,00 (2.5%).

SUMMARY OF PROPOSED TARIFFS FOR 2010/2011

- **Water**

The entire schedule of the water tariffs is attached as **Annexure "A"** to this report. Below are the details of the proposed water domestic and business tariffs for 2010/2011.

Domestic Tariff:

Block tariff (kl)	Tariff (Rand/kl)
0-6	R0, 00
7-15	R7, 40
16-30	R9, 00
31-45	R11, 10
46-60	R11, 50
61>	R12, 70

Business and Other Usage Tariff:

Block tariff (kl)	Tariff (Rand/kl)
0-200	R10, 75
201-1000	R10, 35
1001-2500	R10, 10
2501-5000	R9, 65
5001-25000	R9, 40
25001-50000	R8, 95
>50000	R8, 70

The average increase in the water tariffs is 15.5%.

- **Waste Water**

The entire schedule of the waste water tariffs is attached as **Annexure “B”** to this report. Below are the details of the proposed waste water domestic and business tariffs for 2010/2011.

Domestic Tariff:

Block tariff (kl)	Tariff (Rand/kl)
0-6	R 0.00
7-15	R5,64
16-30	R2,34
31-45	R2,14
46-60	R2,07
61>	R0,76

Business and Other Usage Tariff:

Block tariff (kl)	Tariff (Rand)
0-200	R6,12
201-1000	R4,81
1001-2500	R2,82
2501-5000	R1,38
5001-25000	R1,24
25001-50000	R1,16
>50000	R0,62

The average increase in the waste water tariffs is 18.8%.

COMPARISON BETWEEN 2009/2010 AND 2010/2011 TARIFFS REGARDING SPECIFIC CONSUMPTIONS

Domestic Tariffs (Excluding Vat)

CONSUMPTION	WATER ACCOUNT		SEWER ACCOUNT		TOTAL ACCOUNT			
	2009/10 -R-	2010/11 -R-	2009/10 -R-	2010/11 -R-	2009/10 - R -	2010/11 -R-	INCREASE - R -	INCREASE %
0-6	0	0	0	0	0	0	0	0
15	57.60	66.60	42.75	50.76	100.35	117.36	17.01	16.95

CONSUMPTION	WATER ACCOUNT		SEWER ACCOUNT		TOTAL ACCOUNT			
	2009/10 -R-	2010/11 -R-	2009/10 0 -R-	2010/11 -R-	2009/10 - R -	2010/11 -R-	INCREASE - R -	INCREASE %
30	174.60	201.60	72.30	85.86	246.90	287.46	40.56	16.43
45	318.60	368.10	99.30	117.96	417.90	486.06	68.16	16.31
60	467.85	540.60	125.40	149.01	593.25	689.61	96.36	16.24
100	907.85	1048.60	151.00	179.41	1058.85	1228.01	169.16	15.98

Business and Other uses (Excluding Vat)

WATER CONSUMPTION	WATER ACCOUNT		SEWER ACCOUNT		TOTAL ACCOUNT		
	2009/10 -R-	2010/11 -R-	2009/10 -R-	2010/11 -R-	2009/10 - R -	2010/11 -R-	INCREASE %
200,00	1860	2150	1030	1224	2890	3374	16.75
1000,00	9020	10430	4270	5072	13290	15502	16.64
2 500,00	22145	25580	7825	9302	29970	34882	16.39
10 000,00	83770	96705	15925	18952	99695	115657	16.01
25 000,00	206020	237705	31525	37552	237545	275257	15.88
75 000,00	588520	678955	69025	82052	657545	761007	15.73

TOTAL ESTIMATED INCOME

The proposed increase in tariffs for 2010/2011 is estimated to result in an estimated income of R3 174 761 463,00 versus the estimated expenditure of R3 096 165 957,00. The estimated surplus is therefore R78 595 506,00 (2.5%).

STRATEGIC PRIORITY

Wards affected: All

IDP Priority: Operational Budget, SDBIP Compilation and Monitoring

Strategic priority addressed:

- Good governance, ageing and poorly maintained trading services and inadequate access to basic services

COMMENTS BY RELEVANT DEPARTMENTS (ATTACHED AS ANNEXURE "C")

Finance Department

EKURHULENI METROPOLITAN MUNICIPALITY

TARIFFS: WATER SUPPLY SERVICES AND INCIDENTAL CHARGES

In terms of the relevant legislation the Ekurhuleni Metropolitan Municipality at a meeting held on ?? May 2010 resolved to amend its Tariffs for Water Supply with effect from 1 July 2010, as follows:

SUPPLY OF WATER SERVICES

Start date:	01 JULY 2010	VAT EXCLUDED
End date:	30 JUNE 2011	MAINTENANCE LEVY OF 2.0% INCLUDED

1. TARIFFS: WATER SUPPLY SERVICES AND INCIDENTAL CHARGES

The amounts due for water services for the 2010/2011 financial year be paid on dates as indicated on accounts which will be rendered from 1 July 2010.

- The Tariffs as listed include a **2.0 %** “ring-fenced” maintenance levy to be used for critical water supply services maintenance only.
- The Sewerage Charges will be linked to the account where the water connection is billed. Where water is supplied and metered by Rand Water or any other legal entity to premises connected to the Council’s Waste Water Reticulation System, the readings supplied by Rand Water or other legal entity will be used to calculate and render a waste water account to the owner/tenant concerned.
- Reference to “per month” in the tariffs is based on a meter reading period of 30,4375 days with regard to the calculation of a charge for the free consumption portion.
- ALL TARIFFS LISTED BELOW OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS **EXCLUDE VAT.**

2. WATER TARIFFS

Charges shall be levied in respect of each separate connection for water (as defined in the Water Supply By-laws of the Council). It is further noted that the tariffs effective to consumption as from 01July 2010 and accounts as from those generated in July 2010 on a pro rata basis where applicable, will be levied.

3. CONSUMPTION TARIFFS

All tariffs listed in items 3.1, 3.5, 3.6, as well as 3.9, 3.10, 3.11, 3.12, 3.13, 3.14 if not excluded in terms of the agreement, shall be applied accumulatively.

3.1 Household Use:	(Tariff Code WA0017)
Household Use Municipal:	(Tariff Code WA0010)

Except where the tariffs listed in items 3.3 or 3.4.1 below are applicable, the tariffs listed in this item shall be payable where water, used solely for household purposes, including temporarily connections for this purpose, has been supplied. In the case of hostels and old age homes, every 4 beds shall be deemed to be a residential unit. Where the Housing Department officially accommodates two or three beneficiaries (families) per stand, each beneficiary (family) is deemed to be a residential unit.

- This tariff is only applicable to properties used exclusively for household purposes.

In the event that a small business is conducted as a primary right in terms of a Town Planning Scheme, or home enterprise in terms of the Council's policy, from a property used for household purposes, **and** the connection size is either a 15mm or 20mm connection, the tariffs in the table below shall apply. However, any connection which is greater than 20mm and the property is not exclusively used for residential purposes, shall be charged in terms the tariffs as detailed in 3.6 below. Spaza Shops, defined as an area of a dwelling unit and or associated immovable outbuilding not more than 20m² in extent, used by the occupant of such a dwelling unit for the purposes of selling basic household goods, is also included in this tariff, provided the connection size is either a 15mm or 20mm connection.

- That an additional 3 kl free basic consumption be granted to all registered indigent account holders subject to the stipulations of the Council's Indigent Policy.

Tariff Summary	Tariff R/kl
Number of residential units x (0 - 6 kl / month)	0, 00
Number of residential units x (7 - 15 kl / month)	7, 40
Number of residential units x (16 - 30 kl / month)	9, 00
Number of residential units x (31 - 45 kl / month)	11, 10
Number of residential units x (46 - 60 kl / month)	11, 50
Number of residential units x (61 or more kl / month)	12, 70

3.2 Institutional Use (Tariff Code WA0009)

Public Benefit Organizations, Non Governmental Organizations and Cultural Organisations approved in terms of section 30 of the Income Tax Act 58 of 1962, read with items 1, 2 and 4 of the ninth Schedule to the Act; Welfare organisations registered in terms of the National Welfare Act, 1978 (Act No 100 of 1978), State Assisted Public Schools or Colleges, Public Hospitals and Churches..

The tariff payable in terms of this item is as follows:

Tariff Summary	Tariff R/kl
Fixed Rate	8, 70

3.3 Informal Settlements: (Tariff Code WA0008)

Tariff Summary	Tariff R/kl
This item is applicable in cases where stands and/or dwelling units are supplied by means of a standpipe (no stand connection available)	0, 00

3.4 Un-metered and /or Unread Connections

Tariffs payable in respect of un-metered and/or unread connections where the Water Supply By-laws of the Council do not provide an alternative method for calculating consumption or estimating consumption for purposes of interim charges: -

- 3.4.1 Household use: (Tariff Code WA0018)**
Household Use Municipal: (Tariff Code WA0019)

The applicable tariff listed below, and not the tariffs listed in item 3.1, is payable where water is supplied but there is no relevant meter reading available for the relevant month, irrespective of whether or not a meter has been fitted.

Tariff Summary	Tariff
Fixed rate per month (estimated consumption less than or equal to 15 kl / month)	R71, 60
Fixed rate per month (estimated consumption exceeding 15 kl / month, but less than or equal to 30 kl/month)	R214, 80
Fixed rate per month (estimated consumption exceeding 30 kl / month)	R451, 60

- 3.4.2 Institutional Uses as listed in item 3.2: (Tariff Code WA0020)**

The tariff specified below, and not the tariff specified in item 3.2, is payable where water is supplied, but there is no relevant meter reading for the relevant month, irrespective of whether or not a meter has been fitted.

Tariff Summary	Tariff
Fixed rate	R831, 60

- 3.4.3 Business and Other Uses not included in items 3.1, 3.2, 3.3, 3.4.1, 3.4.2 and 3.5: (Tariff Code WA0021)**
Business and Other Uses Municipal: (Tariff Code WA0016)

The tariff specified below, and not the tariffs listed in item 3.6, is payable where water is supplied but there is no relevant meter reading for the relevant month, irrespective of whether or not a meter has been fitted.

Tariff Summary	Tariff
Fixed rate per month	R1099, 60

3.5 Flow Restriction (Tariff Code WA0022)

- 3.5.1** Properties used exclusively for household purposes as defined in 3.1: For as long as a flow restriction as implemented by the Executive Director: Infrastructure Services or his nominee in respect of the supply of water to the relevant premises is applicable and the volume of water supplied to the premises does not exceed the appropriate under mentioned limit set in terms of such restriction, the relevant tariff listed below shall be payable: -

Limit	Tariff R/kl
A maximum of 6 kl / month	0,00
Between 7 kl to 15 kl / month	R6,70
More than 16 kl / month	Total Consumption as per the sliding scale in item 3.1

3.5.2 Registered Indigent Account Holders as defined in the Indigent Policy: If so requested by a registered indigent account holder, or deemed necessary by the Executive Director Infrastructure Services, a flow restrictor can be installed on the premises, subject to such Indigent being registered in terms of the Council's Indigent Policy:

The registered indigent will receive the allocated 9 kl free basic water per month on a daily pro rata basis where after the tariff in 3.5.1 will be applicable.

3.6 Business and Other Uses: (Tariff Code WA0001)
Business and Other Uses Municipal: (Tariff Code WA0002)

The tariffs listed in this item are payable in respect of all uses not listed in items 3.1, 3.2 and 3.3.

These tariffs apply to e.g. the following uses: business, commercial, industrial, government, mining, private schools, crèches, sport clubs including sport clubs whose lease agreements with Council have expired, private hostels, private hospitals and clinics, agriculture, temporary connections for building or business use, fire hydrant use, including Council owned properties, where the usage is not defined as in paragraphs 3.1, 3.2 or 3.3

Tariff Summary	Tariff R/kl
0 - 200 kl / month	10,75
201 - 1 000 kl / month	10,35
1 001- 2 500 kl/ month	10,10
2 501 - 5 000 kl / month	9,65
5 001 – 25 000 kl / month	9,40
25 001 - 50 000 kl / month	8,95
50 001 or more kl / month	8,70

The tariffs listed in this item shall be levied in respect of each water connection provided to the premises on which a use as intended in this item is being exercised. The relevant tariffs listed in this item shall be levied accumulatively.

3.7 Minimum Basic Charges

3.7.1 Min Basic Household Use: (Tariff Code WA0080)
Min Basic Household Use Municipal: (Tariff Code WA0081)

Any premises, including vacant stands, where Council Water Supply is available, but not used, because such premises/vacant stand can but is not connected to the Council's water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.1 will apply.

Tariff Summary	Tariff R
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Fixed Rate per month	71, 60
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3.7.2 Min Basic Institutional Uses: (Tariff Code WA0082)

Any premises, including vacant stands, where Council Water Supply is available, but not used, because such premises/vacant stand can but is not connected to the Council's water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the fixed tariff in item 3.2 will apply.

Tariff Summary	Tariff R
Fixed Rate per month	144, 40

3.7.3 Min Basic Informal Settlements: (Tariff Code WA0083)

Tariff as per item 3.3.

**3.7.4 Min Basic Business and Other Uses: (Tariff Code WA0084)
Min Basic Business and Other Uses Municipal: (Tariff Code WA0085)**

Any premises, including vacant stands, where Council Water Supply is available, but not used, because such premises/vacant stand can but is not connected to the Council's water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.6 will apply.

Tariff Summary	Tariff R
Fixed Rate per month	360, 40

3.8 Private Internal Water Leaks (Tariff Code WA0006)

In case of exceptionally high meter readings of water consumption, due to bona fide leaks from a private internal pipeline, the Executive Director: Infrastructure Services, may determine that the excess consumption be levied at **R5.45** per kiloliter for a maximum period of three months, the commencement date of such period to be determined in the entire discretion of the said Executive Director. Proof of the leak being rectified in the form of a plumbers invoice or affidavit from the consumer and a reduction in consumption is required.

3.9 ERGO (Tariff Code WA0023)

Water supplied in terms of an existing agreement with the erstwhile Town Council of Springs.

ERGO shall pay the following tariff: The cost payable to Rand Water by the Council plus 45.7% as administration charges.

3.10 SAPPI (Tariff Code WA0024)

Tariff payable by SAPPI for water supplied in terms of an agreement entered into on 18 October 1943 by the erstwhile Town Council of Springs

The cost as provided for in the agreement entered into on 18 October 1943: Rand Water Cost.

3.11 Sports Clubs with existing unexpired lease agreements with the Council:
(Tariff Code WA0026)

The tariffs specified in the agreement shall apply until the expiry date of the relevant agreement. Thereafter, and unless amended, the tariffs listed in item 3.6 or specified in item 3.4.3 as the case may be, shall be payable.

3.12 Special tariff agreements / contracts with the Council: (No Tariff Code)

The tariffs specified per such agreement shall apply until the expiry date of the relevant agreement. Thereafter, and unless and until amended, the tariff(s) specified in the appropriate item contained in this schedule of tariffs shall be payable.

3.13 Water supplied to Johannesburg Water and Other Local Authorities:
(Tariff Code WA0025)

The tariff(s) per kiloliter as determined in terms of the contracts, shall be payable.

3.14 Water supplied outside the Municipal Area at a tariff not listed in any other item of this schedule of tariffs:
(Tariff Code WA0027)

The tariffs payable shall be as set out in item 3.2 plus an administration fee of 15%.

3.15 Service Audit

3.15.1 Where a service audit identifies residential and agricultural zoned properties used for business purposes, the adjustment to property tax and service charges from residential to business use will be effected from the date the audit was conducted.

3.15.2 The water consumption in government subsidised housing scheme areas identified through a service audit in respect of water meters not being incorporated in the Council's records will be calculated from the date the error was detected, provided a reading was obtained on such a date.

4. CONNECTION PIPES, WATER CONNECTIONS INCLUDING FIRE CONNECTIONS OR UPGRADING OF SUCH CONNECTIONS, METERING OF UNMETERED CONNECTIONS AND METERING OF UNMETERED FIRE CONNECTIONS USED ILLEGALLY.

The following tariffs or charges are payable in respect of the installation of connection pipes, water connections including fire connections or upgrading of such connections, the metering of unmetered connections and where existing unmetered fire connections are unlawfully used.

In the latter case the Council reserves the right to change the water supply installation to a meter installation metered by a combination meter as sized by the Council and to recover the appropriate cost as listed in 4.1.1 from the owner. **(All tariffs exclude Vat).**

4.1 Where a water or fire hydrant connection is supplied:

(Note: Only combination meters are to be installed for connections larger than 25mm up to 150mm.)

4.1.1 Combination meters

Main Meter Size	Tariff
50mm	R 23 907, 00
80mm	R 26 072, 00
100mm	R 32 046, 00
150mm	R 50 862, 00

4.1.2 Normal meters

- (i) Installation, including a standpipe, the connection into the reticulation pipeline, connection pipe to meter, isolating valve, meter, meter box with connecting pipe extending to boundary line and / or entrance to stand. (including road crossing, if necessary):

Main Meter Connection	Tariff
15mm	R 1 646, 00
25mm	R 6 383, 00

- (ii) Installation of water taps:

Tap Size	Tariff
15mm - 25mm	R429,70

- 4.1.3** Where the normal water or fire hydrant connections mentioned in item 4.1 above (read with items 4.1.1 and 4.1.2) must be supplied within 14 days after approval of the application on special request, the tariff specified in item 4.1.1 and/or 4.1.2, as the case may be, plus an additional amount of 15% of the relevant tariff(s) shall be payable.

- 4.1.4** Above ground installations of water connections and meters for **Low Cost Housing Developments as well as Chartered Housing Developments (maximum selling price per unit R300, 000.00).**

- 4.1.4.1 Full Installation by Council, which includes a standpipe, the connection into the reticulation pipeline, connection pipe to meter, isolating valve, meter, meter box with connecting pipe extending to boundary line and / or entrance to stand, (road crossing, if necessary included):

Main Meter Connection	Tariff
15mm	R1 252,00

- 4.1.4.2 In the event that the Chief Director: Water consent that a Low cost housing/Chartered housing Developer install the Water Meter connections themselves which must include the meter, meter box, a standpipe, the connection into the reticulation pipeline, connection pipe to meter, road crossing(if necessary) isolating valves, meter box with connecting pipe extending to boundary line and / or entrance to stand, **an inspection fee** of these installations will be charged in terms of 4.1.4.4

The consent will be subject to a commitment given in writing by Low Cost Housing/chartered Housing Developer that:

- No less than 50 meters be applied for at the same time
- That all necessary fees in terms of inspections, deposits and other related administration costs be paid on application.
- The installation must comply to EMM specification which include a standpipe, owners isolating valve, meter, meter box, connection in pipeline, connection pipe, meter control valve, etc as per standard drawing which can be obtained from Water Services division Boksburg.
- The installation of the meters is concluded within 30 days of application.
- If it should be required the additional fees in terms of the EMM inspections will be paid without delay.

The above application must be done prior to installation process. Council will inspect 10% of the connections and if the number of meters and/or their appurtenances installed not complying to any one of the specifications exceed 2.5 %, all installations will be inspected and the cost thereof will be for the developer.

4.1.4.3 Installation of a meter only by Council, excluding a Council approved water connection, which entails a standpipe, the connection into the reticulation pipeline, connection pipe to meter, isolating valve, meter box with connecting pipe extending to boundary line and / or entrance to stand, road crossing, if necessary, as well as administration costs. Inspection fee as defined in 4.1.4.2 and applied in terms of 4.1.4.4 excluded.

Main Meter Connection	Tariff
15mm	R 634, 00

4.1.4.4 Council will as a first inspection, randomly inspect 10% of the water connections and meters installed by the Low Cost Housing Developer in terms of paragraph 4.1.4.2 and 4.1.4.3. Should the number of connections and meters inspected not complying with the Council's approval exceed 2.5% of the number inspected by the Council, the Council will conduct an inspection of 100% of the connections and meters installed by the Low Cost Housing Developer at the charge outlined below:

Main Meter Connection	Tariff
15mm	R 340, 00

4.1.5 Applications for water connections and meters by Developers excluding cases referred to in item 4.1.4.

4.1.5.1 Should the Developer, excluding the cases referred to in item 4.1.4, submit a single application comprising 50 or more connections and meters for installation by the Council, which includes a standpipe, the connection into the reticulation pipeline, connection pipe to meter, isolating valve, meter, meter box with connecting pipe extending to boundary line and / or entrance to stand, (road

crossing, if necessary included), the charge per connection and meter installed will be:

Main Meter Connection	Tariff
15mm	R 1590, 00

4.2 Tariffs for charges payable in respect of the relocation of water meters:

An owner of the premises will be charged for the relocation of a meter if the meter becomes inaccessible due to the installation of a fence or wall.

4.2.1 Relocation not further than 2 metres:

Meter Size	Tariff
15mm	R675, 70
20mm	R698,80
25mm	R860,50

4.2.2 Relocation further than 2 metres and up to 10 meters: -

Meter Size	Tariff
15mm	R993, 00
20mm	R1 045, 00
25mm	R1 201, 00

4.2.3 Should any Household water consumer who needs to install an isolating valve, require the water supply to a property to be turned off, the charge for the turn off, locating of the isolating valve, maintenance work in respect thereof or the replacement of the isolating valve by the Council, shall be as follows and shall be payable in advance by such party: **R310, 00** per event.

(Tariff Code WASTO1)

4.2.4 Should any Business or Other water consumer who needs to install an isolating valve, require the supply to a property to be turned off, the charge for the turn off, locating of the isolating valve, maintenance work in respect thereof or the replacement of the isolating valve by the Council, shall be as follows and shall be payable in advance by such party: **R620, 00** per event.

(Tariff Code WASTO2)

4.3 Tariffs for the installation of a replacement meter where a water connection exists.

Installation of a replacement water meter where an unauthorised connection was found in terms of 5.1 and a fee in terms of 5.1.1 or 5.1.2 has been levied.

Meter Size	Tariff
15mm	R 1 250, 00
25mm	R 2 045, 00

4.4 Temporary hydrant connections:

(Subject to approval by the Director: Revenue Section: Water Services)

4.4.1 Meter Deposits (70% Refundable)

Size of Meter Fitted	Meter Deposit
(a) 25mm connection	R13 282, 00
(b) 50mm connection	R26 565, 00

4.4.2 Consumption Deposits

Size of Meter Fitted	Consumption Deposit
(a) 25mm connection	R4 030, 00
(b) 50mm connection	R6 711, 00

4.5 Upgrading of existing Water Connection:

The tariff for the upgrading of an existing water connection is the sum of 4.5.1 and 4.5.2 which determines as follows:

4.5.1 The tariff for the removal of the existing meter is as listed in 11.1 titled "To disconnect the water supply by removing the connection pipe and meter"

4.5.2 The difference between the existing connection tariff and the tariff for the required upgraded connection size as listed in 4.1.1 and 4.1.2.

4.5.3 The additional consumption deposit payable is determined in terms of 13.1.

5. ILLEGAL CONNECTIONS AND OR CONSUMPTIONS AND DAMAGES TO SERVICES

5.1 Illegal use of the fire connection and/or use of unauthorised connections / consumption:

5.1.1 A fee of **R3 627,00** per unit representing water consumption and related administration costs in cases of Household usage.

(Tariff Code SUWAIR)

5.1.2 A fee of **R7 392,00** per unit representing water consumption and related administration costs in cases where Business and Other usage is applicable.

(Tariff Code SUWAIL)

5.1.3 A fee of **R10 000,00** per incident representing water consumption and related administration costs in cases of unauthorised usage by vehicles such as tankers.

(Tariff Code SUWAIV)

5.2 Any damages to the network or connections: Actual cost of repairs + cost of water loss +15% administration fee per incident.

5.3 Neglect by an owner to repair a leaking fire connection within 48 hours after notification in terms of clause 7: Actual cost of repairs + 15% administration fee per incident.

CHARGES IN RESPECT OF SERVICES FOR WHICH NO TARIFFS ARE LISTED

In cases where a connection to or service in respect of the water system is required and for which a charge has not been listed above, the party applying for such connection or service shall pay the cost of such work plus an administration fee of 15%, such cost to be determined by the Executive Director: Infrastructure Services or his nominee in advance and such cost to be paid in advance.

7. INSPECTION FEES

7.1 In respect of a specific contravention of the Water Supply By-laws or notices of the Council whether continuous or interrupted during a period of 12 months:

1 st inspection	No charge
1 st follow-up inspection subsequent to a notice of rectification (Tariff Code SUWA1)	R 808,00
2 nd follow-up inspection subsequent to the notice of rectification intended above Tariff Code SUWA2)	R 1 732,00
3 rd or subsequent follow-up inspection subsequent to the notice of rectification intended above (Tariff Code SUWA3)	R 4 943,00

7.2 In respect of locating Council meter chambers, private connections and acceptance by the Council of new water infrastructure, installations and connections during a period of 12 months: -

1 st inspection on a site	No charge
1 st follow-up inspection on the site intended above (Tariff Code SUWA1)	R 808,00
2 nd follow-up inspection on the site intended above (Tariff Code SUWA2)	R 1 732,00
3 rd or subsequent follow-up inspection on the site intended above (Tariff Code SUWA3)	R 4 943,00

8. TESTING OF WATER METER

Tariffs payable by a consumer requiring the testing of a water meter for accuracy.

Replacing a meter and testing the accuracy thereof by means of an accredited test bench.

Description & Size of meter	Tariff for testing of meter	Tariff for meter replacement	Total Tariff
15mm	R136, 00	R624, 00	R760, 00
Tariff code WAT015			
25mm	R159, 00	R1 027, 00	R1 186,00
Tariff code WAT025			
50mm WP Series	R463, 00	R13 421, 00	R13 884,00
Tariff code WAP050			
80mm WP Series	R488, 00	R13 373, 00	R13 861,00
Tariff code WAP080			
100mm WP Series	R530, 00	R16 045, 00	R16 575,00
Tariff code WAP100			
150mm WP Series	R804, 00	R29 040, 00	R29 844,00
Tariff code WAP150			
50mm combination	R463, 00	R13 421, 00	R13 884,00
Tariff code WAC050			
80mm combination	R488, 00	R13 373, 00	R13 861,00
Tariff code WAC080			
100mm combination	R530,00	R16 045,00	R16 575,00
Tariff code WAC100			
150mm combination	R804,00	R29 040, 00	R29 844,00
Tariff code WAC150			

Note: In the event of a 20mm meter being removed from the site for testing purposes, it will be replaced with a 15mm meter. Should a meter removed for testing be found to be defective, the relevant total tariff paid by the customer for testing and replacement will be credited to his/her account.

9. READING OF METERS ON REQUEST

Should a person require that a meter be read at any time other than the time appointed by the Executive Director: Infrastructure Services or his nominee, a charge of **R171,00** shall be paid in advance for each such reading.

10. DISCONTINUATION AND RESTRICTION OF WATER SUPPLY AS CREDIT CONTROL MEASURE AND RE-INSTATEMENT OF SUPPLY

In the event of the water supply to a premises being cut off or restricted as a credit control measure, the consumer will be charged the following tariffs:

10.1 Household Usage

10.1.1 To deliver by hand at the premises being supplied with water, a notice addressed to the consumer instructing the consumer to settle the account within 14 days from the date of the notice: No proof of delivery required: **R57,00**

(Tariff Code SUWARW)

10.1.2 To install a flow restrictor in order to restrict the flow through the connection to 30 kl or less per month: **R271,00**

(Tariff Code WAORIN)

10.1.3 To disconnect the water supply by removing the connection pipe and / or T-piece or meter **R 606,00**

(Tariff Code WAORDC)

10.1.4 To remove the flow restrictor in order to re-instate full flow to the premises: **R271,00**

(Tariff Code WAORRI)

10.1.5 To re-connect the water supply where the connection pipe and / or T-piece or meter has been removed rates in 4.1.1 and 4.1.2 will be charged.

10.2 Business and Other Usage

10.2.1 To deliver by hand at the premises being supplied with water, a notice addressed to the consumer instructing the consumer to settle the account within 14 days from the date of the notice: No proof of delivery required: **R57,00**

(Tariff Code SUWARW)

10.2.2 To install a manzi lock for the termination of the water supply **R606, 00**

(Tariff Code WAMZIN)

10.2.3 To remove a manzi lock for the re-instatement of the water supply **R271, 00**

(Tariff Code WAMZRM)

11. DISCONNECTION OF WATER SUPPLY AT THE OWNERS REQUEST

11.1 To disconnect the water supply by removing the connection pipe and meter:

Size of Meter	Tariff
15mm	R360,00
20mm	R360,00
25mm	R430,00

Size of Meter	Tariff
40mm	R568,00
50mm	R1 011,00
80mm	R1 074,00
100mm	R1 730,00
150mm	R1 883,00

To re-connect the water supply where the connection pipe and / or T-piece or meter has been removed rates in 4.1.1 and 4.1.2 will be charged.

11.2 To install a metered flow restrictor/controller:

Size of Meter	Tariff
15mm	R360,00
20mm	R360,00
25mm	R430,00

12. FACTOR AND COUPLING ERRORS (Tariff Code WA0005)

In the event a miscalculation was made and charged for by the Council for water services rendered due to a factor or coupling error, the rectified charges applicable shall be calculated as follows, upon approval by the Executive Director: Infrastructure Services:

The Charges applicable shall be the levy Rand Water charges the Municipality (at that point in time, including the WRC levy), + 15% levy, for the duration that the incorrect charges was rendered, up to a maximum of 36 months backdated, based on the average monthly consumption registered over three succeeding metered periods after the factor error or incorrect coupling was rectified.

13. DEPOSITS

13.1 The following consumption deposits shall be applicable to all water users. (The deposits are payable upon application of the water connection. In the event an upgrade in connection is applied for, the deposit payable shall be the difference between the deposit already paid and the deposit applicable to that size connection):

Size of Meter	Deposit
15mm	R430,00
20mm	R1 250,00
25mm	R1 250,00
40mm	R2 822,00
50mm	R2 822,00
80mm	R6 981,00
100mm	R9 664,00
150mm	R11 943,00

13.2 The consumption deposit in respect of a Temporary Fire Hydrant Connections connection shall be that listed in 4.4.2.

13.3 In the case of defaulters, the deposit shall be calculated as the monetary value of the sum of the two highest consecutive consumptions measured during the 12 months preceding the application for the water service.

- 13.4 The deposit can be altered if the connection is upgraded or downgraded, retrospectively.
- 13.5 A deposit of **R 63,50** shall be applicable for all residential water connections in the under-mentioned townships or any other similar area identified and approved by the Chief Financial Officer and Executive Director: Infrastructure Services. (The deposits will be levied on the account upon application for the connection and / or after signature of a user agreement). In the absence of an application and / or a signed user agreement, the registered owner / approved beneficiary will be regarded as the consumer of the services.

TOWNSHIP	REGION
Langaville Ext 6	East
Chris Hani Pr & Ext 1 & 2	East
Etwatwa Ext 30 and 31	East
Etwatwa Ext 32	East
Chief Albert Luthuli Ext 4	East
Etwatwa Ext 8, 21 and 24	East
Etwatwa Ext 4, 12, 13 and 14	East
Kwa Thema Ext 3 & 7 and Ekuthuleni	East
Tsakane Ext 19, 20, 21	East
Kwa Thema Ext 2	East
Kwa Thema Ext 6	East
Duduza Ext 3	East
Daveyton Ext 12	East
Tsakane Ext 11	East
Tsakane Ext 5	East
Mayfield Ext 6	East
Mayfield Ext 7	East
Mayfield Ext 8	East
Etwatwa Ext 36	East
Etwatwa Ext 9 and 10	East
Geluksdal Ext 3	East
Chief Albert Luthuli Ext 2	East
Tsakane Ext 8, 9, 12, 13, 15, 16, 17 & 18	East
Langaville Proper, Ext 1, 2, 3, 4, 5	East
Tswelopele Ext 6	North
Tswelopele Ext 5	North
Esselen Park Ext 1 and 2	North
Inxweni	North
Tswelopele Ext 8	North
Tembisa Ext 23,24	North
Isekelo	North
Palm Ridge Ext 1 to 8	South
Katlehong South	South
Moleleki Ext 2	South
Vosloorus Ext 20	South
Zonkizizwe Proper, Ext 1 and 2	South
Reiger Park Ext 5	South
Windmill Park Ext 9	South
Vosloorus Ext 24	South
Zonkizizwe Ext 3	South
Zonkizizwe Ext 6	South
Tinasonke Ext 3	South

TOWNSHIP	REGION
Villa Liza Ext 2	South
Eden Park Ext 5	South
Eden Park Ext 4	South
Isekelo	North
Tswelopele Ext 8	North
Mayfield Ext 8	East
Etwatwa Ext 36	East
Daveyton Ext 12	East
Langaville Ext 6	East
Langaville Ext 7	East
Blue Gum View Ext 2, 3, 4, 5 & 6	East
Masetjhabaview Proper & Ext 1 & 4	East
Alra Park Ext 2	East
Cool Breeze	East
Cerutiville Ext 1	East

All properties as defined in the customer audit project, including the areas where the water midblock reticulations have been moved to the road reserve, will also be charged a once off levy of **R63, 50** for the uploading process, subject to the approval of the Chief Financial Officer and the Executive Director Infrastructure Services.

13.6 Accessibility problems and After Hours Readings (Tariff Code WA0090)

Security townships without a manned gate during day light office hours will be charged a fixed tariff of **R 63, 50** per meter per month over and above an estimated or actual consumption charge. Alternatively, an application can be made by the Home Owner's Association, to have a bulk water meter installed, (at Council's cost), outside the entrance of the security township. The total water consumption will then be charged to the Home Owner's Association account. The onus will be on the Home Owner's Association to calculate the individual water accounts of the dwelling units in the security township.

In the event a gate is locked at any other premises and the water meter is inside and inaccessible due to the locked gate, the same charge as detailed above will be levied.

The same charge of **R63, 50** will also apply to pre-arranged after hour readings.

THE FOLLOWING SHALL BE NOTED:

1. The Ekurhuleni Metropolitan Municipality shall have the right to restrict the water supply to any customer who has unsettled debt with the Municipality.
2. The figures quoted in this Schedule of Tariffs **EXCLUDE** Value Added Tax.
3. These tariffs shall be read in conjunction with the By-laws for the Supply of Water Services published by the Ekurhuleni Metropolitan Municipality

EKURHULENI METROPOLITAN MUNICIPALITY

TARIFFS: SEWERAGE DISPOSAL SERVICES AND INCIDENTAL CHARGES

In terms of the relevant legislation the Ekurhuleni Metropolitan Municipality at a meeting held on 27 May 2010 resolved to amend its Tariffs for Waste Water with effect from 1 July 2010 as follows:

1. SEWERAGE DISPOSAL SERVICES AND INCIDENTAL CHARGES

Start date: 01 JULY 2010 VAT EXCLUDED
End date: 30 JUNE 2011 MAINTENANCE LEVY OF 2.0% INCLUDED

The amounts due for water services for the 2010/2011 financial year BE PAID on dates as indicated on accounts which will be rendered from **1 July 2010**.

The Tariffs as listed include a **2.0%** “ring-fenced” maintenance levy to be used for critical Sewage Disposal Services maintenance only.

- The Sewerage Charges will be linked to the account where the water connection is billed. Where water is supplied and metered by Rand Water or any other legal entity to premises connected to the Council’s Waste Water Reticulation System, the readings supplied by Rand Water or other legal entity will be used to calculate and render a waste water account to the owner/tenant concerned.
- Reference to “per month” in the tariffs is based on a meter reading period of 30.4375 days with regard to the calculation of a charge for the free consumption portion.
- ALL TARIFFS LISTED BELOW, OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS **EXCLUDE VAT**.

2. WASTE WATER AND INDUSTRIAL EFFLUENT CHARGES

Charges shall be levied in respect of each discharge point for sewage (as defined in the Waste Water By-laws of the Council) whether such discharge point is a drain or the Council’s sewage disposal system. It is further noted that the tariffs effective to consumption as from 01 July 2010 and accounts as from those generated in July 2010 on a pro rata basis where applicable, will be levied.

3. WASTE WATER AND INDUSTRIAL EFFLUENT TARIFFS

All references in item 3 hereof to volumes expressed in kilolitres shall mean the volume of water supplied by the Council to the relevant premises during the period for which the relevant municipal account is compiled.

All tariffs listed in items 3.1, 3.5, 3.6 as well as, 3.9, 3.10, 3.11 if not excluded in terms of the agreement, shall be applied accumulatively.

3.1 HOUSEHOLD USE: (Tariff Code SE0017)
HOUSEHOLD USE MUNICIPAL: (Tariff Code SE0010)

Except where the tariffs listed in items 3.3 and 3.4.1 below are applicable, the tariffs listed in this item shall be payable where water, used solely for household purposes, including temporary connections for this purpose, has been supplied. -In the case of hostels and old age homes, every 4 beds shall be deemed to be a residential unit. Where the Housing Department officially accommodates two or three beneficiaries (families) per stand, each beneficiary (family) is deemed to be a residential unit.

- This tariff is only applicable to properties used exclusively for household purposes.
- In the event that a small business is conducted as a primary right in terms of a Town Planning Scheme or home enterprise in terms of the Council's policy from a property used for household purposes, and the connection size is either a 15mm or 20mm connection, the tariffs in the table below shall apply. However, any connection which is greater than 20mm and the property is not exclusively used for residential purposes, shall be charged in terms of the tariffs as detailed in 3.6 below. Spaza Shops, defined as an area of a dwelling unit and or associated immovable outbuilding not more than 20m² in extent, used by the occupant of such a dwelling unit for the purposes of selling basic household goods, is also included in this tariff, provided the connection size is either a 15mm or 20mm connection.
 - That an additional 3 kl free basic consumption be granted to all registered indigent account holders subject to the stipulations of the Council's approved Indigent Policy.

Tariff Summary	Tariff R/kl
Number of residential units x (0 - 6 kl / month)	0,00
Number of residential units x (7 - 15 kl / month)	5,64
Number of residential units x (16 - 30 kl / month)	2,34
Number of residential units x (31 - 45 kl / month)	2,14
Number of residential units x (46 - 60 kl / month)	2,07
Number of residential units x (61 or more kl/month)	0,76

In the case of hostels and old age homes, every 4 beds shall be deemed to be a residential unit.

3.2 INSTITUTIONAL USE: (Tariff Code SE 0009)

Public Benefit Organizations, Non Governmental Organizations and Cultural Organisations approved in terms of section 30 of the Income Tax Act 58 of 1962, read with items 1, 2 and 4 of the ninth Schedule to the Act; Welfare organisations registered in terms of the National Welfare Act, 1978 (Act No 100 of 1978), State Assisted Public Schools or Colleges, Public Hospitals and Churches.

The tariff payable in terms of this item is as follows:

Tariff Summary	Tariff R/kl
Fixed Rate	5, 23

3.3 INFORMAL SETTLEMENTS:**(Tariff Code SE 0008)**

Tariff Summary	Tariff R/kl
This item is applicable in cases where stands and/or dwelling units are supplied with water by means of a standpipe (no stand connection available)	0, 00

3.4 UN-METERED AND /OR UNREAD CONNECTIONS:

Tariffs payable in respect of unmetered and/or unread water connections where the Water Supply By-laws of the Council do not provide an alternative method for calculating consumption or estimating consumption for purposes of interim charges: -

3.4.1 Household use:**(Tariff Code SE0018)****Household Use Municipal:****(Tariff Code SE0019)**

The applicable tariff listed below, and not the tariff listed in item 3.1, is payable where a sewage disposal system used solely for household purposes is supplied but there is no relevant water meter reading available for the relevant month, irrespective of whether or not a meter has been fitted: -

Tariff Summary	Tariff
Fixed rate per month (estimated consumption less than or equal to 15 kl / month)	R 51,10
Fixed rate per month (estimated consumption exceeding 15 kl / month, but less than or equal to 30 kl / month)	R 95,00
Fixed rate per month (estimated consumption exceeding 30 kl / month)	R 185,35

3.4.2 Institutional Use as listed in item 3.2:**(Tariff Code SE0020)**

The tariff specified below, and not the tariff specified in item 3.2, is payable where a sewage disposal system is supplied but there is no relevant water meter reading for the relevant month, irrespective of whether or not a meter has been fitted.

Tariff Summary	Tariff
Fixed rate	R 221, 00

3.4.3 Business and Other Uses not included in items 3.1, 3.2, 3.3, 3.4.1, 3.4.2 and 3.5:**(Tariff Code SE0021)****Business and Other Uses Municipal****(Tariff Code SE0016)**

The tariff specified below, and not the tariffs listed in item 3.6, is payable where a sewage disposal system is supplied but there is no relevant water meter reading for the relevant month, irrespective of whether or not a meter has been fitted.

Tariff Summary	Tariff
Fixed rate per month	R 814, 00

3.5 FLOW RESTRICTION (Tariff Code 0022)

3.5.1 Properties used exclusively for household purposes as defined in 3.1. For as long as the restriction implemented by the Executive Director: Infrastructure Services or his nominee in respect of the supply of water to the relevant premises is applicable and the volume of water supplied to the premises does not exceed the appropriate under mentioned limit set in terms of such restriction and a sewage disposal system is supplied to the relevant premises, the relevant tariff listed below shall be payable.

Limit	Tariff R/kl
A maximum of 6 kl / month	0,00
Between 7 kl to 15 kl / month	R 4, 16
More than 16 kl / month	Total Consumption as per sliding scale in item 3.1

3.5.2 Registered Indigent Account Holders as defined in the Indigent Policy: If so requested by a registered indigent account holder, or deemed necessary by the Executive Director Infrastructure Services, a flow restrictor can be installed on the premises, subject to such Indigent being registered in terms of the Indigent Policy.

The registered indigent will receive the allocated 9 kl free basic water per month on a daily pro rata basis where after the tariff in 3.5.1 will be applicable.

3.6 BUSINESS AND OTHER USES: (Tariff Code SE0001) BUSINESS AND OTHER USES MUNICIPAL: (Tariff Code SE0002)

The tariffs listed in this item are payable in respect of all uses not listed in items 3.1, 3.2, 3.3, 3.4.1, 3.4.2, 3.5 and 7.

These tariffs apply to e.g. the following uses: business, commercial, industrial, government, mining, private schools, crèches, sport clubs including sport clubs whose lease agreements with Council have expired, private hostels, private hospitals and clinics, agriculture, temporary connections for building or business use, fire hydrant use including Council owned properties, where the usage is not defined as in paragraphs 3.1, 3.2 or 3.3.

Tariff Summary	Tariff R/kl
0 - 200 kl / month	6,12
201 - 1 000 kl / month	4,81
1 001- 2 500 kl/ month	2,82
2 501 - 5 000 kl / month	1,38
5 001 – 25 000 kl / month	1,24
25 001 - 50 000 kl / month	1,16
50 001 or more kl / month	0,62

The tariffs listed in this item shall be levied in respect of each sewer connection provided to the premises on which a use intended in this item is being exercised. The relevant tariffs listed in this item shall be levied accumulatively.

3.7 MINIMUM BASIC CHARGES

- 3.7.1 Minimum Basic Household Use: (Tariff Code SE0080)**
Minimum Basic Household Use Municipal: (Tariff Code SE0081)

Any premises, including vacant stands, where a Council Waste Water Disposal Service is available, but not used, because such premises/vacant stand can but is not connected to the Council's waste water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.1 will apply.

Tariff Summary	Tariff R
Fixed Rate per month	51,10

- 3.7.2 Minimum Basic Institutional Uses: (Tariff Code SE0082)**

Any premises, including vacant stands, where a Council Waste Water Disposal Service is available, but not used, because such premises/vacant stand can but is not connected to the Council's waste water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the fixed tariff in item 3.2 will apply.

Tariff Summary	Tariff R
Fixed Rate per month	102,20

- 3.7.3 Minimum Basic Informal Settlements: (Tariff Code SE0083)**

Tariff as per item 3.3.

- 3.7.4 Business and Other Uses: (Tariff Code SE0084)**
Business and Other Uses Municipal: (Tariff Code SE0085)

Any premises, including vacant stands, where a Council Waste Water Disposal Service is available, but not used, because such premises/vacant stand can but is not connected to the Council's waste water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.6 will apply.

Tariff Summary	Tariff R
Fixed Rate per month	254, 25

- 3.8 PRIVATE INTERNAL WATER LEAKS (Tariff Code SE0006)**

In case of exceptionally high meter readings of water consumption, due to bona fide leaks from a private internal water pipeline, the Executive Director: Infrastructure Services, may determine that the following effluent tariff shall be levied as follows on the excess consumption for a maximum period of three months, the commencement date of such period to be determined in the entire discretion of the said Executive Director: -

Tariff Summary	Tariff R
Fixed Rate	0,76

3.9 SPORTS CLUBS WITH EXISTING UNEXPIRED LEASE AGREEMENTS WITH THE COUNCIL:

(Tariff Code SE0026)

The tariffs specified in the agreement shall apply until the expiry date of the relevant agreement. Thereafter, and unless amended, the tariffs listed in item 3.4.3 or specified in item 3.6 as the case may be, shall be payable.

3.10 SPECIAL TARIFF AGREEMENTS / CONTRACTS WITH THE COUNCIL: (NO CODE)

The tariffs specified per such agreement shall apply until the expiry date of the relevant agreement. Thereafter, and unless amended, the tariff(s) specified in the appropriate item contained in this schedule of tariffs shall be payable.

3.11 SERVICE RENDERED OUTSIDE THE MUNICIPAL AREA

3.11.1 Where water is supplied by the Council to the premises situated outside the municipality from which sewage - excluding industrial effluent - is disposed into the sewage disposal system of the Council, the tariffs payable shall be as set out in item 3.2 plus an administration fee of 15%, unless a different tariff or different tariffs are listed in this schedule for the relevant use in which event the latter tariff(s) plus an administration fee of 15% will apply.

(Tariff Code SE0028)

3.11.2 Where water is not supplied by the Council to those premises situated outside the municipality and such premises dispose of sewage – excluding industrial effluent - into the sewage disposal system of the Council, the tariffs payable shall be negotiated directly with the party concerned, by the Executive Director Infrastructure Services, plus an administration fee of 15% will apply.

(Tariff Code SE0029)

3.11.3 Where water is supplied by the Council to the premises situated outside the municipality from which industrial effluent is disposed into the sewage disposal system of the Council paragraphs 3.12, 3.13, 3.14, 5, 6 and 7 will apply. Where tariffs are applicable in these paragraphs an additional administration fee of 15% will apply.

3.11.4 Where water is not supplied by the Council to those premises situated outside the municipality and such premises dispose of industrial effluent into the sewage disposal system of the Council, the tariffs payable shall be negotiated directly with the party concerned, by the Executive Director Infrastructure Services, plus an administration fee of 15% will apply

3.12 GREASE, OIL, SILT or SAND TRAP

(Tariff Code SETRAP)

In addition to any other tariffs payable in terms of this schedule of tariffs an amount of **R282, 00** per month shall be payable in respect of any discharge point discharging waste water and / or industrial effluent into the Council's sewage disposal system through a grease, oil, silt or sand trap.

3.13 DISCHARGE OF CERTAIN EFFLUENT WHERE AN INDUSTRIAL DISCHARGE PERMIT AS INTENDED IN SECTION 34 OF THE COUNCIL'S WASTE-WATER BY-LAWS IS REQUIRED

3.13.1 In cases where water is supplied and metered by the Council and such water is used exclusively in an industrial process for which a valid and applicable industrial effluent discharge permit has been issued in terms of section 34 of the Waste Water By-laws of the Council, the tariffs specified in item 3 hereof shall not apply. Where the permit referred to above has been issued the tariffs intended in item 7, as the case may be, will be payable from the first day of the month following the month in which the permit is issued. **(No Code)**

3.13.2 In cases, such as complexes housing different businesses, where the quantity of water used in an industrial process, for which a permit, as referred to in 3.13.1 hereof is required, cannot readily be determined or at reasonable cost be metered by the Council, the Executive Director: Infrastructure Services may, subsequent to receipt of a written application submitted to him and containing sufficient information for his purposes, in his entire discretion, estimate the average monthly utilization of water for industrial purposes, to be reflected as a constant percentage of the water consumed on the premises, and in such event the tariffs specified in item 3 shall apply to the balance of the monthly water consumption: Provided that such estimate, as well as the application of the tariffs intended in item 3 hereof to the balance of the monthly water consumption, shall only be effective from the first day of the month following the month in which the estimate was made.

Where the permit referred to above has been issued the tariffs intended in item 7, as the case may be, will be payable from the first day of the month following the month in which the certificate is issued.

(No Code)

3.14 DISCHARGE OF CERTAIN EFFLUENT WHERE NO INDUSTRIAL EFFLUENT DISCHARGE PERMIT AS INTENDED IN SECTION 3 OF THE COUNCIL'S WASTE WATER BY-LAWS IS REQUIRED

3.14.1 In cases where:

- (i) The consumption of water supplied and metered by the Council exceeds 150 kl per month; and
- (ii) Subsequent to receipt of a written application submitted to him, the Executive Director: Infrastructure Services has issued to the Chief Financial Officer of the Council, a certificate confirming that all such water is utilized exclusively for industrial / manufacturing purposes producing effluent which may be discharged into the sewer disposal system of the Council without it being required to obtain permission as intended in section 34 of the Waste Water By-laws of the Council the tariffs specified in item 3 hereof shall not apply to the water thus consumed from the first day of the month following the month in which the certificate as foresaid was issued. Where the said certificate has not been issued, the tariffs specified in item 3 hereof shall be payable.

Where the certificate referred to above has been issued the tariffs intended in items 7.3.3 and 7.3.4, as the case may be, will be payable on the balance of the consumption calculated after the percentage lost in the industrial / manufacturing process, as indicated in the certificate, has been subtracted, from the first day of the month following the month in which the certificate is issued.

7.3.3 (Tariff Code SE0003)
7.3.4 (Tariff Code SE0004)

3.14.2 In cases where: -

- (i) the consumption of water supplied and metered by the council exceeds 150 kl per month and
- (ii) subsequent to receipt of a sufficiently detailed written application submitted to him, the Executive Director: Infrastructure Services has issued to the Chief Financial Officer of the Council, a certificate confirming that such water is mainly utilized for industrial / manufacturing purposes which produce effluent which may be discharged into the sewer disposal system of the Council without it being required to obtain permission as intended in section 34 of the Waste Water By-laws of the Council, the executive Director: Infrastructure Services, may in his entire discretion, estimate the average monthly utilization of water for industrial/manufacturing purposes, to be reflected as a constant percentage of the water consumed on the premises, and in such event the tariffs specified in item 3 shall apply to the balance of the monthly metered water consumption:

Provided that such estimate as well as the application of the tariffs intended in item 3 hereof to the balance of the monthly water consumption, shall only be effective from the first day of the month following the month in which the said estimate was made. Where the said certificate has not been issued, the tariffs specified in item 3 hereof shall be payable. Where the certificate referred to above has been issued the tariffs intended in items 7.3.3 and 7.3.4, as the case may be, will be payable on the balance of the consumption calculated after the percentage lost in the industrial / manufacturing process, as indicated in the certificate, has been subtracted, from the first day of the month following the month in which the certificate is issued.

7.3.3 (Tariff Code SE0003)
7.3.4 (Tariff Code SE 0004)

4. SEWER CONNECTIONS OR UPGRADING OF UNAUTHORISED SEWER CONNECTIONS

4.1 Where a connection to the Council's sewage disposal system is to be installed, the following charge shall be levied and will be payable in advance: (The charge excludes VAT)

Description	Amount
100mm diameter connection onto a 100mm or 150mm diameter pipe (no road crossing)	R 4 921, 00

Description	Amount
150mm diameter connection onto a 150mm diameter pipe (no road crossing)	R 5 763, 00
100mm diameter connection requiring a road crossing, whether partial or whole	R 11 095, 00
150mm diameter connection requiring a road crossing, whether partial or whole	R 13 414,00

Where connections are provided in lieu of a discontinued bucket system, vacuum tank service, ablution block, chemical toilets or such other facility as the Executive Director: Infrastructure Services may determine, the charges listed in item 4.1 shall not be payable.

4.2 Charges in respect of services for which no tariffs are listed

In cases where a connection to or service in respect of the sewage disposal system is required and for which a charge has not been listed above, the party applying for such connection or service shall pay the cost of such work plus an administration fee of 15%, such cost to be determined by the Executive Director: Infrastructure Services or his nominee in advance.

5. INSPECTION FEES

5.1 In respect of a specific contravention of the Waste Water By-laws or notices of the Council whether continuous or interrupted during a period of 12 months:

1 st inspection	No charge
1 st follow-up inspection subsequent to a notice of rectification Tariff Code SUSEI1	R 832,00
2 nd follow-up inspection subsequent to the notice of rectification intended above Tariff Code SUSEI2	R 1 782,00
3 rd or subsequent follow-up inspection subsequent to the notice of rectification intended above Tariff Code SUSEI3	R 5 085,00

5.2 In respect of locating Council manholes, private connections and acceptance by the Council of new sewer infrastructure, installations and connections during a period of 12 months: -

1 st inspection on a site	No charge
1 st follow-up inspection on the site intended above Tariff Code SUSEI1	R 832,00
2 nd follow-up inspection on the site intended above Tariff Code SUSEI2	R 1 782,00
3 rd or subsequent follow-up inspection on the site intended above Tariff Code SUSEI3	R 5 085,00

6. READING OF EFFLUENT METERS ON REQUEST

Should any party require that a meter be read at any time other than the time appointed by the Executive Director: Infrastructure Services or his nominee, a charge of **R176,00** shall be paid for each such reading. **(No Code)**

7. INDUSTRIAL EFFLUENT

7.1 Issuing of an Industrial Effluent Discharge Permit (Section 34 of the Waste Water By-laws of the Council)

No charge

7.2 In respect of industrial effluent, the highest of the tariffs calculated in terms of item 7.3.2 or specified in items 7.3.3 or 7.3.4 shall be payable.

7.3 Industrial Effluent Treatment and conveyance charge.

(Tariff Code SEEFFL)

7.3.1 Calculation of Industrial Effluent Treatment and Conveyance Charge

The following provisions apply with regard to and for purposes of calculating the treatment and conveyance charge provided for in paragraph 7.3.2.

- (a) In addition to any other charges provided for in these tariffs or in any other law, a charge calculated in accordance with the provisions of these tariffs shall be payable to the Council in respect of each month during which industrial effluent is discharged from any premises.
- (b) Each user of the Council's sewerage disposal system (hereinafter referred to as "the said user") discharging effluent into such system shall test such industrial effluent, on a regular schedule as provided for in the permit to discharge industrial effluent, and report the results to the Council.
- (c) The Council shall in its entire discretion conduct analysis of industrial effluent at random. The values obtained by the Council shall be taken as correct and used to calculate the treatment and conveyance charge. Whenever the Council takes a sample, one half thereof shall be made available to the said user, if required at the time when the sample is taken.
- (d) The average of the values of the different analysis results of 24 hourly composite or grab samples of the effluent, taken during the relevant month and as prescribed in terms of the permit referred to in subparagraph (b) above will be used to determine the treatment charge payable.

Should the said user not accept the values obtained from the said analysis intended in this subparagraph the said user may request further tests at the cost of the said user to be done by a laboratory acceptable to the Council and the said user.

- (e) In the total absence of a sample, the said user shall pay to the Council the higher of the amounts as determined per items 7.3.3 or 7.3.4 hereof per month plus such other applicable tariffs prescribed herein.

- (f) Should the said user fail to submit to the Council timeously the results required in terms of subparagraph (b) above, the results obtained by the Council from the last test results submitted in terms of the provisions of subparagraph (b) shall remain applicable: Provided further that the Council may apply the provisions of subparagraph (c) above for the purposes of calculating the charges payable: Provided further that should the result of the formula in item 7.3.2 be less than the amount specified in items 7.3.3 or 7.3.4 the highest amount calculated will be payable for the relevant month.
- (g) In the absence of any direct measurement, the quantity of industrial effluent discharged during a period shall be determined by the Council taking into consideration the quantity of water consumed on the premises during that period, the quantity of the water consumed on the premises for domestic purposes, the quantity lost to the atmosphere during the process of manufacture and the quantity present in the final product produced on the premises. Thus calculated, the quantity of industrial effluent discharged will be reflected as a constant percentage of the water consumed on the premises.
- (h) If a meter metering the quantity of water consumed on the premises is proven to be defective, the appropriate adjustments shall be made to the quantity of effluent discharged when calculated as prescribed in subparagraph (g) and the defective meter shall be repaired or replaced as soon as possible.
- (l) For the purpose of calculation of the quantity of effluent discharged from each point of discharge of effluent as aforesaid, the total quantity of water consumed on the premises shall be allocated among the several points of discharge as accurately as is reasonably practical after consultation between the Council and the said users of the relevant premises.
- (j) The owner or occupier of premises where an effluent meter is installed shall ensure that the meter is calibrated annually.
- (k) In the absence of both direct measurement and water consumption, the quantity of industrial effluent discharged during a period shall be determined by the Council taking a six month average of the direct measurement or a six month average of the water consumption for calculation of the quantity of effluent as prescribed in subparagraph (g)

7.3.2 Treatment and Conveyance Charge

In addition to any other fee or charges payable in terms of this schedule of tariffs, there shall be payable to the Council, in respect of any premises on which any trade or industry is carried out and from which, as a result of such trade or industry or of any process incidental thereto, any effluent (hereinafter referred to as "industrial effluent") is discharged into the Council's sewage disposal system, a treatment and conveyance charge, being an amount calculated on the industrial effluent discharged, the strengths and the permitted (allowed) concentrations of the industrial

effluent discharged during the relevant month and in accordance with the following formula:

$$T_i = \frac{C}{12} \left(\frac{Q_i}{Q_t} \right) \left[a + b \left(\frac{COD_i}{COD_t} \right) + d \left(\frac{P_i}{P_t} \right) + e \left(\frac{N_i}{N_t} \right) + f \left(\frac{SS_i}{SS_t} \right) \right]$$

Where

T_i = Charges due per month for the treatment and conveyance of industrial effluent.

C = R 365 600 000, 00

Q_i = sewage flow (as defined in the Council's Waste Water by-laws) originating from the relevant premises in kilolitres per day determined for the relevant month;

Q_t = five year average of total sewage inflow (as defined in the Council's Waste Water By-laws) to the Council's sewage disposal system in kilolitre per day;

COD_i = average chemical oxygen demand of the sample originating from the relevant premises in milligrams per litre determined for the relevant month;

COD_t = five year annual average chemical oxygen demand of the sewage in the total inflow to the Council's sewage disposal system in milligrams per litre;

P_i = average Ortho-phosphate concentration originating from the relevant premises in milligrams phosphorus per litre determined for the relevant month;

P_t = annual average Ortho-phosphate concentration of the sewage in the total inflow to the Council's sewage disposal system in milligrams phosphorus per litre;

N_i = average ammonia concentration originating from the relevant premises in milligrams nitrogen per litre determined for the relevant month;

N_t = five year annual average ammonia concentration of the sewage in the total inflow to the Council's sewage disposal system in milligrams nitrogen per litre;

SS_i = average suspended solids concentration originating from the relevant premises in milligrams per litre determined for the relevant month;

- SSt = five year annual average suspended solids concentration of the sewage in the total inflow to the Council's sewage disposal system in milligrams per litre;
- a = portion of the fixed cost of treatment and conveyance;
- b = portion of the costs directly related to the removal of chemical oxygen demand;
- d = portion of costs directly related to the removal of phosphates;
- e = portion of the costs directly related to the removal of ammonia;
- f = portion of the costs directly related to the removal of suspended solids

For calculating of the treatment charges according to the above formula the following system values will apply: -

Qt	559 780
CODt	816
Pt	5,9
Nt	24,8
SSt	308
-a	0,60
-b	0,26
-d	0,16
-e	0,15
-f	0,14

7.3.3 Volume Charge (Tariff Code SE0003)

Where the discharging of effluent per volume per month as indicated in the table below occurs, the appropriate tariff set out in the table below shall be payable and the said appropriate tariff shall also apply where a certificate has been issued as intended in item 3.13 hereof:

Volume of Effluent Discharged	Tariff R / kl Effluent
0 - 200 kl / month	6,06
201 - 1000 kl / month	5,64
1001 - 2 500 kl / month	5,16
2501 - or more kl / month	2,97

7.3.4 Minimum charges: Effluent (Tariff Code SE0004)

R929, 00

7.4 Additional Tariff Payable In Respect of the Discharge of Effluent having a Value Contrary to the Discharge Limits

7.4.1 The acceptable discharge limits are as specified in Schedule "A" hereof.

7.4.2 Where effluent contrary to the limits specified in Schedule "A" is discharged, treatment and conveyance charges being the higher of **R1,03** per kilolitre industrial effluent discharged during the relevant month or **R1 018,00** per month for each individual parameter deviating from the

acceptable parameters specified in Schedule “A”, shall be payable to the Council in addition to all other charges payable to the Council in terms of this schedule of tariffs.

8. VACUUM TANK SERVICES

All existing and new customers receiving or requiring a vacuum tank service will be required to register with the Council prior to any service being rendered, at the relevant Service Delivery Centre.

Where the Council, in its entire discretion, is willing to provide a vacuum tank service, the following charges shall be levied and payable: -

Note: In the event the quality of the effluent does not conform to the standards as determined in Section 7 above, the Council reserves the right not to collect the effluent, or impose a penalty for the non conforming quality of effluent. In the event a penalty is imposed, the amount will be to the sole discretion of the Executive Director (Infrastructure Services). In the event Council exercises its right not to collect the non conforming effluent, the user will be obliged to treat the effluent, so as to conform to the standards set out in Section 7, and all costs in this regard will be for the users account.

8.1.1 Domestic Sewerage (Tariff Code: SEVAC2)

In cases where the premises can, but is not connected to the Council’s sewage disposal system, in the case of domestic sewerage, and the existing sewerage reticulation is adjacent to the said erf:

The user of the vacuum tank service pays a charge of **R 964,00** per call out irrespective of the quantity of wastewater removed for that call out.

For the purposes of item 8 “Domestic Sewage” shall mean sewage removed from residential premises, as defined in 3.1 above, including agricultural holdings and farm portions (only if such holdings or farm portions are primarily used for residential purposes), sport fields and old age homes.

8.1.2 Other Sewerage (Tariff Code: SEVAC3)

In cases where the premises can, but is not connected to the Council’s sewage disposal system, in the case of the property zoned all other uses, excluding uses as defined in 3.1 above, and the existing sewerage reticulation is adjacent to the said erf:

The user of the vacuum tank service pays a charge of **R1 465,00** per call out irrespective of the quantity of wastewater removed for that call out.

8.2.1 Domestic Sewage (Tariff Code: SEVAC4)

In cases where the premises cannot be connected to the sewer disposal system (where the existing sewer reticulation is not adjacent to the said erf):

A charge of **R 252,00** per callout (max of 5 kl), thereafter **R 252,00** per trip

For the purposes of item 8 “Domestic Sewage” shall mean sewage removed from residential premises, as defined in 3.1 above, including agricultural holdings and farm portions (only if such holdings or farm portions are primarily used for residential purposes), sport fields and old age homes.

8.2.2 Other Sewage

(Tariff Code: SEVAC5)

In the case of the property zoned all other uses, excluding uses as defined in 3.1 above, and the existing sewerage reticulation is not adjacent to the said erf:

A charge of **R523,00** per callout (max of 5 kl), thereafter **R 523,00** per trip

9. DISCHARGING OF WASTE WATER INTO COUNCIL'S WASTE WATER RETICULATION BY A PRIVATE CONTRACTOR

The contractor is required to enter into a license agreement, with a monthly fee of **R 1 775, 00** payable for permission to discharge into the mainlines and **R133,00** for every discharge of 5 kl made, The main lines will be identified by the Chief Area Engineer or his representative and only those may be used as the discharge point. Any deviation from the agreed point of discharge will result in a penalty of **R3 700,00** being levied, per incident. The company will be required to enter into a license agreement to discharge.

The Council reserves the right to take samples of the discharge at any time, and if the quality is deemed to be outside the standards as defined in Section 8 above, a penalty may be enforced, and the Council reserves the right to terminate the contractor's permission to discharge into the reticulation. The penalty in the event of non conforming quality of effluent discharged, shall be to the sole discretion of the Executive Director: Infrastructure Services. The penalty shall be charged as detailed in Section 7 above.

License Fee

(Tariff Code SEVACL)

Discharge Fee

(Tariff Code SEVACD)

Discharge Penalty

(Tariff Code SEVACP)

10. DISCHARGING OF WASTEWATER INTO COUNCIL'S WASTE WATER RETICULATION BY COUNCIL APPOINTED ANNUAL CONTRACTOR

The contractor is required to enter into a license agreement, with a monthly fee of **R 1 775, 00** payable for permission to discharge into the main lines. The main lines will be identified by the Chief Area Engineer or his representative and only those may be used as the discharge point. Any deviation from the agreed point of discharge will result in a penalty of **R 3 700, 00** being levied, per incident. The company will be required to enter into a license agreement to discharge.

License Fee

(Tariff Code SEVACL)

Discharge Fee

(Tariff Code SEVACP)

11. INCORRECT SEWER ACCOUNT

11.1 Coupling or Factor Errors

(Tariff Code SE0005)

In the event a miscalculation was made and charged for by the Council for sewerage services rendered due to a factor or coupling error related to the water meter, the rectified charges applicable shall be calculated as follows, upon approval by the Executive Director: Infrastructure Services:

The charges applicable shall be the levy ERWAT charges the municipality (at that point in time, including the WRC levy), + 15% levy, for the duration that the incorrect charges was rendered, up to a maximum of 36 months backdated based on the average monthly consumption registered over three succeeding metered periods after the factor or coupling error was rectified.

11.2 Non Measurement by Water Meter

In the event sewerage charges are levied where water supplied by the Council to any premises is in any way taken by the consumer without such water passing through the water meter of the Council, the Council may for the purpose of rendering an account for sewerage, estimate the quantity of water supplied to the consumer during the period from the last previous reading of the water meter, back dated not longer than 36 months, until the date it is discovered that water is so taken by the consumer. This estimate of the quantity of water supplied to a consumer shall be based on, as the Executive Director: Infrastructure Services may decide —

- The average monthly consumption of water on the premises during any three consecutive metering periods during the twelve months period prior to the date on which the taking of the water mentioned above was discovered; or
- The average monthly consumption on the premises registered over three succeeding metered periods after the date of discovery of the way the water was taken.

11.3 Dysfunctional Water Meter

Where a water meter becomes dysfunctional and ceases to register the quantity of water supplied to a consumer, the quantity of water supplied during the period between the date of the last reading of the water meter (prior to the reading consequent on which the failure was discovered) and the date of its repair or replacement, shall for purposes of determining a sewerage charge, be estimated, as the Executive Director: Infrastructure Services may decide, on either of the following basis —

- The average daily consumption of water registered by the water meter, which has ceased to register, calculated on the preceding three meter readings taken before the meter ceased to register;
- The average daily consumption of water registered by the replaced or repaired water meter, calculated on two successive meter readings taken after the repair or replacement of the defective water meter; or
- The consumption of water at the same water connection recorded for the corresponding period in the previous year.

THE FOLLOWING SHALL BE NOTED:

1. The figures quoted in this Schedule of Tariffs **DO NOT INCLUDE** Value Added Tax.
2. These tariffs shall be read in conjunction with the By-laws for the Supply of Wastewater Services published by the Ekurhuleni Metropolitan Municipality.

ACCEPTABLE DISCHARGE LIMITS**(i) GENERAL:**

Determinants	Lower limits of concentrations
pH at 25°C	6,0 pH Units

Determinants	Upper limits of concentrations
pH at 25°C	10,0 pH Units
Electrical conductivity at 25°C	500 mS/m
Caustic alkalinity (expressed as CaCO ₃)	2000 mg/l
Substances not in solution (including fat, oil, grease, waxes and like substances) and where the volume of effluent discharged per month does not exceed 10 000 kl	1000 mg/l
Substances not in solution (including fat, oil, grease, waxes and like substances) and where the volume of effluent discharged per month does exceed 10 000 kl	500 mg/l
Fat, oil grease, waxes and like substances soluble in petroleum ether	500 mg/l
Sulphides, (expressed as S)	10 mg/l
Hydrogen sulphide (expressed as H ₂ S)	5 mg/l
Substances from which hydrogen cyanide can be liberated in the drainage installation, sewer and sewage treatment works (expressed as HCN)	20 mg/l
Formaldehyde (expressed as HCHO)	50 mg/l
Non-organic solids in suspension	100 mg/l
Chemical oxygen demand (COD)	5000 mg/l
All sugars and/or starch (expressed as glucose)	1500 mg/l
Available chlorine (expressed as Cl)	100 mg/l
Sulphates (expressed as SO ₄)	1800 mg/l
Fluorine-containing compounds (expressed as F)	5 mg/l
Sodium (expressed as Na)	500 mg/l
Anionic surface active agents	500 mg/l
Ammonium Nitrogen as N	200 mg/l
Orthophosphate as P	50 mg/l
Phenols	150 mg/l
Chloride (Cl ⁻)	500 mg/l

(ii) METALS AND OTHER ELEMENTS:**Group A**

Determinants	Upper limits of concentrations
Nickel (expressed as Ni)	20 mg/l
Zinc (expressed as Zn)	20 mg/l
Cobalt (expressed as Co)	20 mg/l
Chromium (expressed as Cr)	20 mg/l

Should the total collective concentration of all metals in Group A (expressed as indicated above) in any sample of the effluent exceed 40 mg/l, or the concentration of any individual metal in any

sample exceed the upper limits as indicated above, the provisions of items 5.1 and 7.4.2 shall apply.

Group B

Determinants	Upper limits of concentrations
Lead (expressed as Pb)	5 mg/l
Copper (expressed as Cu)	5 mg/l
Cadmium (expressed as Cd)	5 mg/l
Arsenic (expressed as As)	5 mg/l
Boron (expressed as B)	5 mg/l
Selenium (expressed as Se)	5 mg/l
Mercury (expressed as Hg)	5 mg/l
Molybdenum (expressed as Mo)	5 mg/l

Should the total collective concentration of all metals and elements in Group B (expressed as indicated above) in any sample of the effluent exceed 20 mg/l, or the concentration of any individual metal or elements in any sample exceed the upper limits as indicated above, the provisions of items 5.1 and 7.4.2 shall apply.

Group C

Determinants	Upper limits of concentrations
Aluminium (expressed as Al)	20 mg/l
Iron (expressed as Fe)	20 mg/l
Silver (expressed as Ag)	20 mg/l
Tungsten (expressed as W)	20 mg/l
Titanium (expressed as Ti)	20 mg/l
Manganese (expressed as Mn)	20 mg/l

Should the individual concentration of all metals in Group C (expressed as indicated above) in any sample of the effluent exceed the upper limits as indicated above, the provisions of items 5.1 and 7.4.2 shall apply.

(iii) RADIO-ACTIVE WASTE:

Radio-active waste must comply to safety standards as contemplated in section 36 of the National Nuclear Regulation Act, 1999.

ITEM MI - 2010

ED: SW (0) (2010/02/): APPROVAL FOR NEW TARRIFS AND INCIDENTAL CHARGES TO RENDER SOLID WASTE MANAGEMENT SERVICES

PURPOSE OF REPORT

To obtain Council's approval for the new tariffs for the rendering of waste management services from 01 July 2010.

MOTIVATION

Section 74 of the Municipal Systems Act 32 of 2000 states:

“A municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this act and with any other applicable legislation. In order to render the necessary solid waste services to the residents, business and industry within the jurisdiction of the Ekurhuleni Metropolitan Municipality, tariffs have to be accepted and approved by Council for implementation.”

A tariff policy must reflect at least the following principles, namely that:

- (a) users of municipal services should be treated equitably in the application of tariffs;
- (b) the amount individual users pay for services should generally be in proportion to their use of that service;
- (c) poor households must have access to at least basic services through
 - i) tariffs that cover only operating and maintenance costs;
 - ii) special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service; or
 - iii) any other direct or indirect method of subsidisation of tariffs for poor households;
- (d) tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interests charges;
- (e) tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;
- (f) provision may be made in appropriate circumstances for a surcharge on the tariff for a service;
- (g) provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- (h) the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives must be encouraged;
- (i) the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.

A tariff policy may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination.

Uniform tariffs for the Ekurhuleni Metropolitan Municipality were promulgated for the 2009/2010 financial year. The services rendered by the Waste Management Directorate are, for budget purposes, divided into two categories, namely:

i) **Income Generating Services**

- Round collection
- Bulk container services
- Litter picking in commercial and industrial areas
- Operation and Management of landfill sites

ii) **Non-income Generating Services**

- Mini refuse disposal sites/transfer stations
- Litter picking - all areas excluding commercial and industrial areas.
- Public conveniences
- Rehabilitation of old disposal sites
- Removal of illegal dumping

The waste management collection tariffs fall short in some respects in fulfilling the requirements of the Municipal Systems Act 32, 2000 due to operational challenges appended below. Our objective is to align waste management collection tariffs with the principles prescribed by the act in all respects.

TARIFF SETTING MODEL

The existing tariff setting model in use is based on stand size with respect to the domestic service and derives from the amalgamation of the previous local Councils, wherein tariff structures varied greatly and ranged from a single tariff for all users to tariffs based on the number of rooms per dwelling, or on locality and geographic area. Uniform tariffs for the Ekurhuleni Metropolitan Municipality were promulgated as from 2001/2002 financial year.

It must be appreciated that any model adopted for costing will have advantages and disadvantages much as the stand size based tariff setting model has its own limitations though advantages must outweigh the disadvantages of any tariff setting model. In this particular case the need for a uniform tariff setting model in comparison to multiple and varied models existing at the time took precedence over the consideration of other possible tariff setting models whose application may require a complete review of service levels and standards.

The directorate will undertake to review in the next financial year the current model as there has been concerns that the number of occupants does not necessarily imply that it increases proportional with the tonnage of refuse generated.

COST REFLECTIVENESS

Tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges. It is imperative therefore that waste collection and disposal costs be clearly defined in this regard and all the input costs of providing the service are ring fenced and worked back to inform the cost of providing the service. However the difficulty is that waste management services are not costed accurately. An accurate projection of costs from which

tariffs may be derived and charged with accurate assignment of both transport and disposal costs to ratepayers is required.

The cost of supply of services study will also be undertaken.

CREDIT CONTROL AND DEBT COLLECTION

Section 95 of the Municipal Systems Act 32, 2000 states, among other pertinent principles, thus:

“In relation to the levying of rates and other taxes by a municipality and the charging of fees for municipal services, a municipality must, within its financial and administrative capacity –

- a) establish a sound customer management system that aims to create a positive and reciprocal relationship between persons liable for these payments and the municipality, and where applicable, a service provider;*
- c) take reasonable steps to ensure that users of services are informed of the costs involved in service provision, the reasons for the payment of service fees and the manner in which monies raised from the service are utilised;*
- d) where the consumption of services has to be measured, take reasonable steps to ensure that the consumption by individual users of services is measured through accurate and verifiable metering systems;*
- e) ensure that persons liable for payments, receive regular and accurate accounts that indicate the basis for calculating the amounts due; “*

Waste management should be a break even service hence income and expenditure must balance. The reality though is that expenditure far exceeds income and the service has failed to break even for the past financial years. The assumption was that there is a discrepancy between the number of service points serviced and the number of service points billed for domestic services hence an urgent need for a service point audit. The directorate has undertaken an exercise to appoint a service provider to assist in the verification of refuse removal services points based on the number of services and the number of service points billed. The report will be completed by May 2010. Furthermore the directorate with the assistance of Finance Department have manage to load additional service points of approximately 20 000 for domestic tariffs by end November 2009 to improve on the collection of revenue.

PROVISION OF BULK CONTAINER SERVICES

The Bulk container service tariff is based on the size of the container and the frequency of removal. In an effort for Council to compete with the private sector, an increase for the rendering of a bulk container service of only 10% was recommended for the past financial year.

Description of Service	Increase 2008/09	Increase 2009/10	Proposed increase 2010/11
Bulk container service	10%	10%	15%

FACTORS THAT AFFECT TARIFF INCREASE (COLLECTION)

Financing of non-income generating services from tariffs:

Non-income generating services were historically financed from the rates account and not from the tariffs levied for solid waste services. The Waste Management Directorate committed itself to financing the above-mentioned non-income generating services, which represent approximately 21% of the 2010/2011 expenditure for solid waste services, from tariffs over a period of time. The subsidisation of non-income generating services as mentioned previously, from the rates account, needs to be revisited in tandem with improvement in income collection.

The non income generating services are as follows:

- Removal of illegal dumping
- Servicing and maintenance of mini garden sites
- Litterpicking (all other areas, except commercial and industrial)
- Public conveniences
- Rehabilitation of inactive landfill sites

The directorate has developed an integrated illegal dumping strategy addressing the challenges faced with illegal dumping. Furthermore the directorate has developed an Integrated Waste Management Policy in order to make a paradigm shift from existing practices focusing on collection-transport-disposal to an Integrated Waste Management system based on the principle of the waste hierarchy where the focus is on the minimisation and recycling of waste in order to reduce costs and to reduce the negative impact of waste on human health and the environment.

The Waste Management Directorate mostly allowed for a total increase of 15% (except for bulk container services) for the 2010/2011 financial year, to also allow for financing of non income generating services.

In comparison to other metros; Johannesburg (Pikitup) & eThekwini (Durban Solid Waste) non income generating services are provided for and funded as follows:

eThekwini (Durban Solid Waste, DSW)

The refuse removal tariff is based on the value of the property and do not appear on refuse removal account and thus it will be difficult to compare with Ekurhuleni as we are currently using stand size. All costs for providing services in the eThekwini Metro (including other departments) are added and put into a Rates and General Fund account. The costs are, therefore, recovered from the rate payers via the property assessment rate. This involve the valuing of all the city's property and each area then pays a certain percentage (randage factor) according to a predetermined formula approved by Council.

Joburg (Pikitup)

The tariffs are based on the value of the property and up and above the collection tariff, the consumer of services pay city cleaning levy. Council services include round collection, street sweeping & litterpicking, provision of disposal sites, removal of illegal

dumping and refuse removal in informal areas (settlements). The account does not have a separate refuse removal account. In other words the source of funding for non income generating services comes from the grant for social services managed by the office of the Mayor.

It is imperative therefore that an alternative funding source for non income generating services be identified or a special levy to fund non income generating services be created. The funding of non income generating services from tariffs contributes significantly to the deficit.

Comparison of the tariffs between various Metros- Domestic Refuse Removal

PIKITUP		eTHEKWINI	
Property Value	Collection tariff (09/10)	Property Value	Collection tariff (09/10)
Less than R100 000	Free	Less than and equal to R190 000	Free
R100,001 - 150,000	R60	R190 000 -300,000	R18
R150,001 - 300,000	R65	R300,000 – 400,000	R31
300,001 - 500,000	R76	R400,000 0 500,000	R40
500,001 - 700,000	R87	R500,000 – 750,000	R53
R700,001 - 1,500,000	R113	R750,000 – 1,000,000	R71
Greater than R1 500 000	R159	Greater than R1,000,000	R88

EKURHULENI	
Stand Size, m ²	Collection tariff 09/10
0 – 300	R53,57
301 – 600	R62,58
601 – 900	R69,52
901 – 1200	R76,48
1201 – 1500	R88,06
1501 – 2000	R99,64
2000+	R112,22

Replacement of vehicles and equipment:

Currently the average age of the specialized vehicles is 19 years old. This has hugely impacted on service delivery to an extent that the department is not collecting as per refuse removal calendar. This has cause unhappiness from the communities to an extent that communities are planning to engage other service providers to render their services.

The replacement of vehicles and equipment, whether it is outright purchase or full maintenance leasing, will without doubt have an impact on the 2010/2011 Operational Budget.

The provision of free services to informal settlements:

In addition to providing free services to informal settlements, non-payment for services has an extremely negative impact on curbing the increase of solid waste service tariffs. The estimated cost of provision of services in informal settlements is R31 228 800 per annum.

Increase in transport costs:

Waste management services, with the exception of landfills, are in essence a transport intensive operation and are therefore sensitive to the substantial and constant increases in the price of the following key transport inputs:

Average increase: oils and lubricants	+/-16%
Average increase: fuel costs	+/-14%
Average increase: tyres	+/-18%
Average increase: general spares to maintain the fleet	+/-19%

Labour costs

Solid waste collection is a labour intensive operation and labour costs tend to have a ripple effect on tariffs.

SUMMARY OF INCREASES:

A summary of the increases is as follows:

- Domestic tariff: 15% increase
- Flat/Town Houses complexes tariff: 15%
- Institutions tariff: 15%
- Businesses tariff: 15%
- Litterpicking tariff: 50%
- Bulk container tariff: 15%
- Sundry Tariffs: 9.8%
- Disposal tariff: 15% (private users)
- Disposal tariff: 10% (Council)

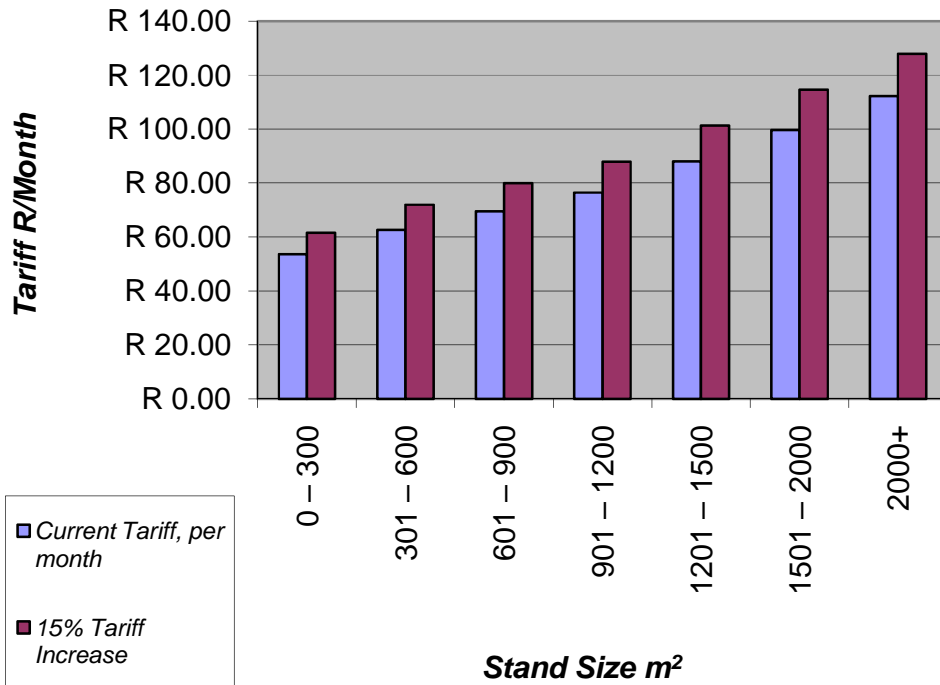
PROPOSED INCREASE IN TARIFFS (2010/2011)

The following tariff increase is proposed:

Comparison between existing tariff and the 15% proposed increase (Domestic)

Stand Size, m ²	Current tariff, per month	15% tariff increase, per month
0 – 300	R53,57	R61.61
301 – 600	R62,58	R71.97
601 – 900	R69,52	R79.95
901 – 1200	R76,48	R87.95
1201 – 1500	R88,06	R101.27
1501 – 2000	R99,64	R114.59
2000+	R112,22	R127.90

15% Tariff Increase



Total estimated Income

Based on the service audits conducted by the Waste Management Services Directorate, the directorate is of the opinion that the total income calculated from the number of service points serviced is R1 263 759 054.92

According to Finance Department the total projected income amount will be **R698 172 554** in 2010/2011 and this will result in a projected deficit of:

- **15% Increase in tariff** (All domestic) –

Budget Expenditure	R 814 892 514
Budget Income	<u>R 698 172 554</u>
Deficit	R 116 719 960

CONCLUSION

To ensure that waste management services are rendered efficiently and with due regard to the increases in expenditure mentioned above, the following increases in solid waste tariffs are proposed.

The Waste Management Directorate be allowed to a total increase of 15% (All domestic stand size categories) to allow for financing of the non income generating services.

The domestic tariffs (All domestic stand size categories), business tariffs and bulk container tariffs are to be increased by 15%.

It is quite evident based on the inability of the service to break even that a range of interventions are necessary. The Waste Management Directorate has undertaken a waste management optimization feasibility study whose outcome has clearly indicated that the service is not properly ring fenced and therefore cannot be costed properly nor can tariffs be determined as they should. A number of recommendations aimed at resolving the challenges that need to be addressed are as detailed in the table below;

TABLE 1: Recommended Tariff Strategy 2010/2011

Activity	Current Tariff	Recommended Tariff Strategy
Informal Settlements	Free of charge (once per week)	Normal escalation
Formal Areas	Stand size (once per week)	Agree with principle but should correct incorrect charges as indicated
Domestic Service for 240L wheelie bins	Per Bin (once per week)	Normal escalation
Flat/Town House Complex	Per Unit (number of collections per week)	Normal escalation
Institutions	Equal to domestic tariff for stand size 301-600m ²	Should be charged in terms of volume of waste generated at a reduced rate
Business Refuse Removal	Per container size and number of services per week	Should be flexible in order to compete with private sector, but should have a mini rate where under business cannot be negotiated
Litter Picking	Rate per m ² at all business and industrial zoned erven with maximum	Principle is fine but should be increased substantially.
Bulk services	As per schedule of tariffs	Should be flexible in order to compete with private sector, but should have a mini rate where under business cannot be negotiated.
Sundry tariffs	As per schedule of tariffs	Normal escalation
Refuse Disposal Sites	As per schedule of tariffs	<p>Agree with free service to general public for up to 1 000 kg.</p> <p>Agree with rehabilitation levy principle and amount (should be cashed back)</p> <p>The introduction of a new levy to provide for future landfill air space is recommended – need to be calculated in terms of formula provided (and should be cash backed)</p>

		<p>The tariff charged to private clients for Simmer & Jack should be escalated to at least 20 % higher than the tariffs charged at other landfill sites</p> <p>Builders' rubble should be charged for at Simmer & Jack.</p> <p>Waste received from other Municipalities or outside the jurisdiction of Ekurhuleni should be charged at a 10% mark up.</p> <p>Ekurhuleni should retain the right to redirect waste between landfill sites and/or decline the receipt of waste</p>
Municipal Waste	No charge	A charge should be levied as it is inappropriate business practice to balance the books with a charge to the Municipality. This charge may be lower than that charged to the private sector.
First portion of business waste	No charge	It is recommended that the first 3 000 litre business waste be charged to Ekurhuleni irrespective if it is removed by the municipality or the private sector.

PROPOSED TARIFFS

The following collection tariffs (exclusive of VAT) are proposed for the 2010/2011 financial year for the rendering of solid waste services.

• **COLLECTION TARRIFFS**

1 Domestic tariffs

Informal settlements

Free of charge.

Number of services points: 104 096

Formal areas

Stand size:	No of service points:	Current tariff per month:	Proposed tariff per month:
0 - 300 m ²	395847	R53,57	R61,61
301 - 600 m ²	152448	R62,58	R71,97
601 - 900 m ²	365615	R69,52	R79,95
901 - 1200 m ²	69355	R76,48	R87,95
1201- 1500 m ²	27145	R88,06	R101,27
1501- 2000 m ²	10564	R99,64	R114,59
2 000 m ² +	14975	R111,22	R127,90

Domestic service for 240L bin

Proposed tariff per month: R61,61 per 240L bin.
The same tariff will apply for each additional bin.

2 Flat / town house complexes refuse (15% increase)

Per unit:	No of service points:	Current tariff per month:	Proposed tariff per month:
1 x per week	87019	R58,93	R67,77
2 x per week		R111,85	R 128,63

3 Institutions (15% increase)

Domestic tariff equal to the 301 – 600 m² stand size.
This tariff will apply to charity organisations after submission of proof of registration as a Welfare Organisation, and will include: registered schools, crèches and churches.

4 Business refuse removal (15% increase)

Three 85 litre bin liners or part thereof or 1 x 240 litre bin of refuse or part thereof will constitute one business refuse removal service.

Frequency of removal (85 litre container):	No of service points:	Current tariff per month:	Proposed tariff per month:
1 x per week	28013	R126,30	R145,25
2 x per week		R252,60	R290,50
3 x per week		R378,90	R435,75
4 x per week		R505,20	R581,00
5 x per week		R631,50	R726,25
6 x per week		R757,80	R871,50

Frequency of removal (240 litre container):	No of service points:	Current tariff per month:	Proposed tariff per month:
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1 x per week	20101	R160,74	R184,85
2 x per week		R321,48	R369,70
3 x per week		R482,22	R554,55
4 x per week		R642,96	R739,40
5 x per week		R803,70	R924,25
6 x per week		R964,44	R1,109,10

Frequency of removal (660 litre container):	No of service points:	Current tariff per month:	Proposed tariff per month:
1 x per week	Nil	R482,21	R554,54
2 x per week		R964,42	R1,109,08
3 x per week		R1446,63	R1,663,62
4 x per week		R1928,84	R2,218,16
5 x per week		R2411,05	R2,772,70
6 x per week		R2893,26	R3,327,24

Frequency of removal (900 litre container):	No of service points:	Current tariff per month:	Proposed tariff per month:
1 x per week	Nil	R642,91	R739,35
2 x per week		R1285,82	R1,478,70
3 x per week		R1928,73	R2,218,05
4 x per week		R2571,64	R2,957,40
5 x per week		R3214,55	R3,696,75
6 x per week		R3857,46	R4,436,10

Frequency of removal (1 100 litre container):	No of service points:	Current tariff per month:	Proposed tariff per month:
1 x per week	Nil	R723,64	R832,19
2 x per week		R1447,28	R1,664,38
3 x per week		R2170,92	R2,496,57
4 x per week		R2894,56	R3,328,76
5 x per week		R3618,20	R4,160,95
6 x per week		R4341,84	R4,993,14

5 Litter picking levy (50% increase)

R 0,04 per m² at all business and industrial zoned erven where a scheduled litter picking service is provided at least once per week, with a maximum of R 900,00 per month.

6 Bulk container services (15% increase)

Container size	No of service points:	Tariff per removal	
		Current tariff per removal:	Proposed tariff per removal:
1,75 m ³	40	R158,38	R182,14
2,5 – 3 m ³	Nil	R333,07	R383,03
3 – 4 m ³	400	R356,14	R409,56
4 – 5 m ³	33	R377,62	R434,26
5 – 6 m ³	1095	R407,53	R468,66
Compactable			
5-6 m ³	81	Nil	R572,57
Non Compactable			
6 – 7 m ³	398	R497,89	R572,57
7 – 8 m ³	Nil	R600,75	R690,86
8 – 9 m ³	117	R748,15	R860,37
9 – 10 m ³	20	R772,38	R888,24
10 – 11 m ³	Nil	R832,66	R957,56
11 – 12 m ³	Nil	R918,31	R1,056,06
12 m ³ rolon	Nil	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
25 m ³ rolon	Nil	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
30 m ³ rolon	14	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
10 m ³ compactor	10	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
25 m ³ compactor	Nil	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
30 m ³ compactor	0	R263,59 per ton or part thereof. R805,42 minimum levy per service.	
Ad Hoc domestic use			
5 – 6 m ³ non compactable	1070	R497,89	R572,57

7. DISPOSAL TARRIFS

At a Council meeting in the previous financial year the following tariff structures were approved for the five waste disposal sites.

Tariffs for disposal of refuse at the **WELTEVREDEN** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	103,26
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	53,34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	280,80
Clean building rubble (less than 300mm in diameter)	25,00
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	15,00
Tyres – rim size up to 110cm in diameter (normal truck tyre)	25,00
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	200,00
Tyres cut or shredded per 1000kg or part thereof	150,00
The above tariffs include a R8.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **PLATKOP** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	103,26
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	53,34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	280,80
Clean building rubble (less than 300mm in diameter)	25,00
Soil, usable as cover material	Free
Asbestos waste	425,29
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	15,00
Tyres – rim size up to 110cm in diameter (normal truck tyre)	25,00
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	200,00
Tyres cut or shredded per 1000kg or part thereof	150,00
The above tariffs include a R8.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **SIMMER & JACK** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	154,14
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	79,63
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	325,00
Clean building rubble (less than 300mm in diameter)	121,88
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	18,00
Tyres – rim size up to 110cm in diameter (normal truck tyre)	30,00
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	200,00
Tyres cut or shredded per 1000kg or part thereof	150,00
The above tariffs include a R8.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **RIETFontein** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	103,26
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	53,34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	280,80
Clean building rubble (less than 300mm in diameter)	25,00
Soil, usable as cover material	Free
Delisted solids (less than 300mm in diameter)	174,37
Delisted sludge (trench and cover)	563,12
Delisted liquids (trench and cover)	636,49
Disposal of treated liquids/sludge of contaminated foods	158,68
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	15,00
Tyres – rim size up to 110cm in diameter (normal truck tyre)	25,00
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	200,00
Tyres cut or shredded per 1000kg or part thereof	150,00
Paper pulp exceeding 40% moisture content	600,44
Disposal of treated liquids/sludge of contaminated food stuff where lime is used will be calculated according to the amount of bags used on the said product	Standard fee of 158,68 an additional amount for number of lime bags used for the treatment of waste
The above tariffs include a R8.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **ROOIKRAAL** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	103,26
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	53,34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	280,80
Clean building rubble (less than 300mm in diameter)	25,00
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	15,00
Tyres – rim size up to 110cm in diameter (normal truck tyre)	25,00
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	200,00
Tyres cut or shredded per 1000kg or part thereof	150,00
The above tariffs include a R8.00 per ton rehabilitation levy	

It is estimated that the following tonnages of chargeable waste will be disposed of at Council's sites during the 2010/11 financial year.

Total tonnage 1 750 000 tons per annum

The estimated income and expenditure for 2010/2011 is listed below. The municipal internal charges are disregarded and only contractors' and private users are used to calculate expected income as seen in the table as follows:

Table1: Income vs Expenditure

	Current Tariff	Proposed Tariff	Proposed Increase %	2010/11 Income	2010/11 Expenditure	2010/11 Surplus
Private	103.26	118.75	15%	61 248 403	110 478 568	+360 446
Council	53.93	59.32	10%	49 590 611		
TOTAL				110 839 014	110 478 568	

It is proposed that the tariffs be increased as follows:

	Current Tariff / ton	New Tariff per ton	% Increase
Private	R103.26	118.75	15%
Councils	R53.93	59.32	10%

8 Sundry tariffs (9.8% increase)

	Current per removal:	Proposed per removal:	tariff
Carcass removal – Private users			
Cats and similar animals	R 28,96	R 31,79	
Dogs and similar animals	R 39,02	R 42,84	
Sheep/Goats	R 101,35	R111,28	
Bovine/Horses	R 238,92	R262,33	
Poultry	R 14,46	R15,88	
S.P.C.A.	Free of Charge		
Veterinary Surgeons			
Monthly tariff	R485,10	R 532,64	
Bovine/Horses	R 296,85	R325,94	
Rubble etc. per m ³ or part thereof	R 181,00	R198,73	
Condemned foodstuffs per m ³ or part thereof	R 108,60	R119,24	

COMMENTS BY VARIOUS DEPARTMENTS (Annexure “A”)

Finance Department

Corporate and Legal Services

RECOMMENDATION

1. **That** the contents of the report by the Executive Director: Environmental Development to obtain Council's approval for the new tariffs for waste management services for the 2010/2011 financial year, **BE NOTED**.
2. **That** the amendments to the Ekurhuleni Metropolitan Municipality's Solid Waste Tarriffs – Collection and Waste Disposal Sites as detailed in Annexure "B" attached to the report **BE APPROVED** in terms of section 75A of the Local Government: Municipal Systems Act, Act 32 of 2000, with effect from 01 July 2009.
3. That the Executive Director: Corporate and Legal Services **ATTEND** to the compliance with all relevant legislation to give effect to (2) above.
4. **That** the disposal tariffs **BE DISPLAYED** on signboards at the entrance of each waste disposal site.
5. **That** all main disposal site users **BE INFORMED** in writing of the new tariff structures.
6. **That** income generated from the rehabilitation levy, **BE DEPOSITED** into a separate interest bearing rehabilitation fund to be utilised when the individual phases of the respective landfill are to be rehabilitated.
7. **That** it **BE NOTED** that the above tariffs include the rehabilitation levy of R9,00 per tonnage.

ANNEXURE “B”

EKURHULENI METROPOLITAN MUNICIPALITY

TARIFFS: WASTE MANAGEMENT SERVICES AND INCIDENTAL CHARGES

NOTICE IS HEREBY GIVEN, in terms of the provisions of section 75A(3) of the Local Government : Municipal Systems, Act 32 of 2000 that the Ekurhuleni Metropolitan Municipality at a meeting held on **XX May 2010**, amended its Tariffs with effect from **1 July 2010** as contained in the following Schedules included in this notice:.

1. ALL TARIFFS LISTED BELOW, OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS, EXCLUDE VAT

2. COLLECTION TARIFFS

Charges shall be levied on and recovered from all consumers of the Councils Solid Waste Services who utilized / requested the Councils Solid Waste services, such consumers shall include the owners and occupiers of the premises in respect of which the services are rendered and such charges shall be recoverable from such owners and occupiers jointly and severally. “Occupiers” and “Owners” as intended herein shall be as defined in the Solid Waste By-laws of the Council.

Charges shall be levied per consumer as intended above in respect of each service point (as defined in the Solid Waste By-laws of the Council).

2.1 Domestic tariffs

Informal settlements

Free of charge.

Formal areas

Stand size:	Tariff per month:
0 - 300 m ²	R61,61
301 - 600 m ²	R71,97
601 - 900 m ²	R79,95
901 - 1200 m ²	R87,95
1201- 1500 m ²	R101,27
1501- 2000 m ²	R114,59
2 000 m ² +	R127,90

Domestic service for 240L bin

Proposed tariff per month: R61,61 per 240L bin.
The same tariff will apply for each additional bin.

2.2 Flat / town house complexes refuse

Per unit:	Tariff per month:
1 x per week	R67,77
2 x per week	R128,63

2.3 Institutions

Domestic tariff equal to the 301 – 600 m² stand size.
This tariff will apply to charity organisations after submission of proof of registration as a Welfare Organisation, and will include: registered schools, crèches and churches.

2.4 Business refuse removal

Three 85 litre bin liners or part thereof or 1 x 240 litre bin of refuse or part thereof will constitute one business refuse removal service.

Frequency of removal (85 litre container):	Tariff per month:
1 x per week	R145,25
2 x per week	R290,50
3 x per week	R435,75
4 x per week	R581,00
5 x per week	R726,25
6 x per week	R871,50

Frequency of removal (240 litre container):	Tariff per month:
1 x per week	R184,85
2 x per week	R369,70
3 x per week	R554,55
4 x per week	R739,40
5 x per week	R924,25
6 x per week	R1,109,10

Frequency of removal (660 litre container):	Tariff per month:
1 x per week	R554,54
2 x per week	R1109,08
3 x per week	R1663,62
4 x per week	R2218,16
5 x per week	R2772,70
6 x per week	R3327,24

Frequency of removal Tariff
(900 litre container): per month:

1 x per week	R739,35
2 x per week	R1478,70
3 x per week	R2218,05
4 x per week	R2957,40
5 x per week	R3696,75
6 x per week	R4436,10

Frequency of removal Tariff
(1 100 litre container): per month:

1 x per week	R832,19
2 x per week	R1664,38
3 x per week	R2496,57
4 x per week	R3328,76
5 x per week	R4160,95
6 x per week	R4993,14

2.5 Litter picking levy

R 0,04 per m² at all business and industrial zoned erven where a scheduled litter picking service is provided at least once per week, with a maximum of R 900,00 per month.

2.6 Bulk container services

Container size Tariff
per removal:

1,75 m ³	R182,14
2,5 – 3 m ³	R383,03
3 – 4 m ³	R409,56
4 – 5 m ³	R434,26
5 – 6 m ³	R468,66
Compactable 5 - 6 m ³	R572,57
Non Compactable 6 – 7 m ³	R572,57
7 – 8 m ³	R690,86
8 – 9 m ³	R860,37
9 – 10 m ³	R888,24
10 – 11 m ³	R957,56
11 – 12 m ³	R1056,06

12 m ³ rolon	R263,59 per ton or part thereof. R805,42 minimum levy per service.
25 m ³ rolon	R263,59 per ton or part thereof. R805,42 minimum levy per service.
30 m ³ rolon	R263,59 per ton or part thereof. R805,42 minimum levy per service.
10 m ³ compactor	R263,59 per ton or part thereof. R805,42 minimum levy per service.
25 m ³ compactor	R263,59 per ton or part thereof. R805,42 minimum levy per service.
30 m ³ compactor	R263,59 per ton or part thereof. R805,42 minimum levy per service.
Ad Hoc domestic use 5 – 6 m ³ Non compactable	R572,57

2.7 Sundry tariffs

Carcass removal – Private users

Cats and similar animals	R 31,79
Dogs and similar animals	R 42,84
Sheep/Goats	R 111,28
Bovine/Horses	R 262,33
Poultry	R 15,88

S.P.C.A. Free of Charge

Veterinary Surgeons

Monthly tariff	R 532,64
Bovine/Horses	R 325,94

Rubble etc. per m ³ or part thereof	R 198,73
Condemned foodstuffs per m ³ or part thereof	R 119,24

3. DISPOSAL TARIFFS

Tariffs for disposal of refuse at the **WELTEVREDEN** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	118.75
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	61.34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	322.92
Safe disposal of products: Crushed / Buried	180.00
Clean building rubble (less than 300mm in diameter)	25.00
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	17.25
Tyres – rim size up to 110cm in diameter (normal truck tyre)	28.75
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	230.00
Tyres cut or shredded per 1000kg or part thereof	172.50
The above tariffs include a R9.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **PLATKOP** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	118.75
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	61.34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	322.92
Safe disposal of products: Crushed / Buried	180.00
Clean building rubble (less than 300mm in diameter)	25.00
Soil, usable as cover material	Free
Asbestos waste	489.08
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	17.25
Tyres – rim size up to 110cm in diameter (normal truck tyre)	28.75
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	230.00
Tyres cut or shredded per 1000kg or part thereof	172.50
The above tariffs include a R9.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **SIMMER & JACK** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	177.26
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	91.57
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	373.75
Safe disposal of products: Crushed / Buried	180.00
Clean building rubble (less than 300mm in diameter)	140.16
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	20.70
Tyres – rim size up to 110cm in diameter (normal truck tyre)	34.50
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	230.00
Tyres cut or shredded per 1000kg or part thereof	172.50
The above tariffs include a R9.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the **RIETFontein** waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	118.75
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	61.34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	322.92
Safe disposal of products: Crushed / Buried	180.00
Clean building rubble (less than 300mm in diameter)	25.00
Soil, usable as cover material	Free
Delisted solids (less than 300mm in diameter)	200.53
Delisted sludge (trench and cover)	647.59
Delisted liquids (trench and cover)	800.00
Disposal of treated liquids/sludge of contaminated foods	182.48
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	17.25
Tyres – rim size up to 110cm in diameter (normal truck tyre)	28.75
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	230.00
Tyres cut or shredded per 1000kg or part thereof	172.50
Paper pulp exceeding 40% moisture content	690.51
Disposal of treated liquids/sludge of contaminated food stuff where lime is	Standard fee of

used will be calculated according to the amount of bags used on the said product	182.48 an additional amount for number of lime bags used for the treatment of waste
The above tariffs include a R9.00 per ton rehabilitation levy	

Tariffs for disposal of refuse at the ROOIKRAAL waste disposal site:

	Tariff R per ton VAT excluded
General public up to 1 000 kg	Free
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, in excess of 1 000 kg	118.75
Disposal of clean compostable garden refuse by the general public and contractors in excess of 1 000 kg	61.34
Disposal of general and non-hazardous industrial dry solid waste by the general public and contractors, from outside the boundaries of the metro	322.92
Safe disposal of products: Crushed / Buried	180.00
Clean building rubble (less than 300mm in diameter)	25.00
Soil, usable as cover material	Free
Tyres – rim size up to 70cm in diameter (normal motor vehicle tyre)	17.25
Tyres – rim size up to 110cm in diameter (normal truck tyre)	28.75
Tyres – rim size up to 116cm in diameter and greater than 116mm in diameter (Earthmoving equipment)	230.00
Tyres cut or shredded per 1000kg or part thereof	172.50
The above tariffs include a R9.00 per ton rehabilitation levy	

**K NGEMA
CITY MANAGER:
EKURHULENI METROPOLITAN MUNICIPALITY**

RSC BUILDING
PRIVATE BAG X1069
GERMISTON
1400

NOTICE NO.
REFERENCE

EKURHULENI METROPOLITAN MUNICIPALITY

FINANCE PORTFOLIO COMMITTEE MEETING

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ITEM A-F (xx-2010)

DEPARTMENT FINANCE : DETERMINATION OF ASSESSMENT RATES TARIFF FOR THE 2010-11 FINANCIAL YEAR IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT NO 6 OF 2004.

PURPOSE OF REPORT

To obtain approval, in terms of the Municipal Property Rates Act No 6 of 2004, for the implementation of assessment rates to be levied and the granting of rebates in respect of the 2010-11 financial year.

RECOMMENDATION

1. That in terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in the Rand **BE LEVIED** for the financial year 1 July 2010 to 30 June 2011, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Category	Ratio	Rate (Cents in the Rand)
Residential	1	0.0066
Industrial	2.5	0.0165
Business and Commercial	2	0.0132
Farms - Agriculture	0.25	0.0017
Farms - Commercial	2	0.0132
Farms - Residential	1	0.0066
Farms - Other	0.25	0.0017
State Owned Properties	2	0.0132
Municipal Properties	2	0.0132
Public Services Infrastructure (PSI)	0.50	0.0033
Private Towns	1	0.0066
Smallholdings - Agriculture	0.25	0.0017
Smallholdings - Commercial	2	0.0132
Smallholdings - Residential	1	0.0066
Smallholdings - Other	0.25	0.0017
Informal Settlements	1	0.0066

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Mining and Quarries	3	0.0198
Vacant Land	4	0.0264
Protected Areas	1	0.0066
National Monuments	1	0.0066
Multiple Purpose	2	0.0132

2. That the rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.
3. That interest at the prime rate of the Ekurhuleni Metropolitan Municipality's bankers (currently ABSA Bank Ltd) will **BE CHARGED** per month or part thereof on all arrear assessment rates at the applicable interest rate as specified in the Tariffs for Financial Services.
4. That in terms of Section 15(1)(b) of the Act read with Council's Property Rates Policy, the Council grants, the following reduction in market value and rebates on the rate levied for the financial year 2010/2011 to any owner of rateable property in the following circumstances :
 - 4.1 That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, the impermissible value of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED as R150 000.**
 - 4.2 **Indigent household** – Owner of residential property, registered in terms of councils approved INDIGENT POLICY, be exempted from paying of property rates.
 - 4.3 **Child headed households** – That a child headed household registered in terms of councils approved INDIGENT POLICY, be exempted from paying of Property Rates.
 - 4.4 **Age / Pensioners reduction, Disability grantees and medically boarded persons** – That in addition to the reduction in 4.1 above and subject to requirements as set out in councils Rates Policy, an additional reduction of **R150 000** on the market value of residential property owned by person older than 60 years of age or registered as "Life right use" tenant in deeds office (Age / Pensioner reduction), disability grantees and medically boarded persons **BE GRANTED.**

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4.5 Aged / Pensioners rebate, Disability grantees and medically boarded persons

– That in addition to the reduction in 4.1 and 4.4 above, an additional rebate **BE GRANTED** in respect of sliding scale based on average monthly earnings.

The applicant must:

- i. be the registered owner of the property or registered as “Life right use” tenant in deeds office.
- ii. produce a valid identity document;
- iii. must be at least 60 years of age upon application, provided that where couples are married in community of property and the property is registered in both their name, the age of the eldest will be the qualifying factor, **or** approved disability grantee **or** approved medically boarded person;
- iv. not be in receipt of an indigent assessment rate rebate;
- v. must reside permanently on the property concerned which consists of one dwelling only and no part thereof is sub-let;
- vi. confirm the aforementioned details by means of a sworn affidavit and / or latest income tax assessment.
- vii. On approval, the following rebates will be applicable

Average Monthly earnings in respect of preceding 12 months.	
R0.00 to R 2 020.00 (2 x State pensions)	100 % rebate on assessment rates
R 2 020.01 to R 3 000.00	85% rebate on assessment rates
R 3 000.01 to R 4 500.00	70% rebate on assessment rates
R 4 500.01 to R 6 000.00	55% rebate on assessment rates
R 6 000.01 to R 8 000.00	40% rebate on assessment rates

- viii. That the minimum “average monthly earnings” be adjusted annually and effective in accordance with National Government Budget announcement in respect of state pensions.

4.6 Municipal – That non-trading services be exempted from paying of property rates.

4.7 Sporting Bodies - used for the purposes of amateur sport and any social activities which are connected to sport: **90%** rebate in respect of the amount levied as rates on the relevant property but subject to existing agreements between club and Council not determining a different position.

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4.8 **Welfare organisations** registered in terms of the National Welfare Act, 1978 (Act No. 100 of 1978, **100%** rebate in respect of the amount levied as rates on the property.

4.9 **Public benefit organizations/Non Governmental Organisations (NGO's) and Cultural Organisations** approved in terms of section 30 of the Income Tax Act 58 of 1962, read with Items 1, 2 and 4 of the Ninth Schedule to that Act, **100%** in respect of the amount levied as rates on the property.

4.10 **Protected areas/nature reserves/conservation areas** – That protected areas/nature reserves/conservation areas be exempted from paying of Property Rates.

4.11 **Private schools, Universities, Colleges and Crèches :**

- i. Private (Independent) primary and secondary schools (regardless of whether subsidized or not), registered as educational institutions, a rebate of between **70% and 100 %** in respect of the amount levied as rates on the relevant property, subject to prior application and submission of prior years audited financial statements. Rebate will be adjusted negatively in accordance with percentage ratio between net profit and gross income in the following categories :

Net Profit after tax %			Net Rebate %
0.00 %	To	10.00 %	100 %
10.01%	To	20.00 %	90 %
20.01%	To	30.00 %	80 %
30.01 %	To	40.00 %	70 %

- ii. Private (Independent) Universities and colleges, registered as educational institutions not subsidized by state, **20 %** rebate in respect of the amount levied as rates on the relevant property.
- iii. Creches, registered as educational institutions, **100 %** rebate in respect of the amount levied as rates on the relevant property.

4.12 **Vacant unimproved stands** - That a **75%** rebate BE GRANTED on residential property on which a dwelling unit(s) is/are being constructed and which will be used exclusively for that purpose, subject to the following conditions :

- i. That an approved building plan is supplied;
- ii. That a residential dwelling unit(s) be constructed on the property;

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- iii. That the 75% rebate be granted for a maximum period of eighteen (18) months from the date the approved building plan was supplied;
 - iv. That the occupation certificate be supplied at the end of the eighteen (18) month period;
 - v. That the failure to supply the occupation certificate will result in a reversal of the 75% rebate already granted; and
 - vi. That in the event that the said property is sold prior to the issue of the occupation certificate, the rebate already granted be reversed.
- 4.13 That rebates in respect of items 4.2 to 4.12, but excluding 4.6 – Municipal and 4.10 - Protected areas/nature reserves/conservation areas, be subject to the submission and approval of required application.

WARDS AFFECTED

All

LINKAGE TO IDP

None

STRATEGIC PRIORITY ADDRESSED

Promotion of good governance.

LEGAL BACKGROUND.

The Municipal Property Rates Act came into effect on the 1 July 2009. In terms of section 46 of the Act, the market value of a property, if sold on the date of valuation in the open market by a willing seller to a willing buyer, is to be realised in the valuation roll.

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 –

- a. Use of the property
- b. Permitted use of the property
- c. Geographical area in which the property is situated.

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

- a. 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
- b. 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 :

- a. Indigent owners
- b. Owners dependant on pensions or social grants for their livelihood
- c. Owners temporarily without income
- d. Owners of property situated within an area affected by –
 - i. A disaster within the meaning of the Disaster Management Act
 - ii. Any other serious adverse social or economic conditions
- e. Owners of residential properties with a market value lower than an amount determined by the municipality; or
- f. 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” :

- a. the first 30% of the market value of Public Services Infrastructure;
- b. 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;
- c. on mineral rights within the meaning of paragraph (b) of the definition of “property” in section 1;
- d. on the first R 15 000 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 –
 - i. for residential purposes; or
 - ii. for properties used for multiple purposes, provided one or more components of the property are used for residential purposes;
- e. 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.

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CATEGORIES OF OWNERS.

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 (NGO's) and Cultural Organisations
- Protected areas
- Religious organisations
- Public & Private schools, universities & 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

FUNDING REQUIREMENTS

The following factors were taken into consideration in the determination of proposed rate :

- i. Operational and capital funding requirements.
- ii. Market values of properties as at 1 July 2008 (date of valuation) as reflected in the valuation roll compiled in terms of Municipal Property Rates act.
- iii. Effects of objection outcome process in respect of main valuation roll.
- iv. Effects of supplementary valuation roll implemented as from 1 November 2009.

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Total valuation roll can be summarized as follows :

Rate-Code	Description	Number	Main Roll	Objection Outcome	Supplementary 2	Net Value
1	Residential	499,480	241,757,453,000	-727,191,471	19,746,000	241,010,515,529
2	Industrial	9,197	39,234,320,000	-1,602,872,178	274,467,000	37,905,914,822
3	Business and Commercial	11,589	48,229,464,000	-4,382,608,040	611,033,000	43,235,822,960
4	Agriculture (Farms and Smallholdings)	1,005	3,356,714,000	-230,856,541		3,125,857,459
5	Farms/Smallholdings (Commercial)	563	3,248,270,000	-664,401		3,247,605,599
6	Farms/Smallholdings (Residential)	3,676	5,538,668,000	-99,343,812	2,033,000	5,437,291,188
8	Municipal Properties	28,044	5,820,596,000	-37,158,509	27,176,000	5,756,261,491
9	PSI	324	449,769,000	-1,559,500	14,382,000	462,591,500
11	Informal Settlements	41	48,679,000	3,020,000	320,000	52,019,000
12	Mining and Quarries	129	679,433,000	-51,287,382		628,145,618
13	Vacant Land	36,447	6,998,492,000	-130,710,992	23,181,000	6,890,962,008
14	Protected Areas	1,797	796,813,000	-16,956,444	5,377,000	774,479,556
17	Smallholdings (Agriculture)	13	19,539,000	-		19,539,000
18	Smallholdings (Commercial)	5	4,400,000			4,400,000
19	Smallholdings (Residential)	568	629,338,000	-5,173,487		624,164,513
20	Smallholdings (Vacant)	104	51,800,000	1,170,412	108,000	52,862,412
21	Farms (Vacant)	994	830,688,000	-71,732,912		758,955,088
		593,976	357,694,436,000	7,353,925,257	353,123,000	349,987,387,743

Valuation roll consist of 593 976 properties and includes 56 532 sectional title units.

The prevailing rate in the rand in respect of the 2009-10 financial year was set at 0.0060c based on market value of property as reflected in valuation roll and would yield an estimated R 2,329 billion in the 2009-10 financial year.

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In order to realize required funding and based on differential rating ratio's in respect of individual categories of properties, it is proposed that rate be increased with 10% to **0,0066c**, based on market value of property as reflected in valuation roll.

Increased tariffs per rating category will be as follows :

Category	2009-10	2010-11
Residential	0.0060	0.0066
Industrial	0.0150	0.0165
Business and Commercial	0.0120	0.0132
Farms - Agriculture	0.0015	0.0017
Farms - Commercial	0.0120	0.0132
Farms - Residential	0.0060	0.0066
Farms - Other	0.0015	0.0017
State Owned Properties	0.0120	0.0132
Municipal Properties	0.0120	0.0132
Public Services Infrastructure (PSI)	0.0015	0.0033
Private Towns	0.0060	0.0066
Smallholdings - Agriculture	0.0015	0.0017
Smallholdings - Commercial	0.0120	0.0132
Smallholdings - Residential	0.0060	0.0066
Smallholdings - Other	0.0015	0.0017
Informal Settlements	0.0060	0.0066
Mining and Quarries	0.0180	0.0198
Vacant Land	0.0240	0.0264
Protected Areas	0.0060	0.0066
National Monuments	0.0060	0.0066
Multiple Purpose	0.0120	0.0132

In terms of section 21(2), the phasing-in discount in respect of Public Services Infrastructure (PSI) will be reduced to 50% during the 2010-11 financial year.

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The proposed rate of 0.0066c in respect of the 2010-11 financial year would yield an estimated R 2,597 billion in the 2010-11 financial year and is summarized as follows :

	2009-10		2010-11
	BUDGET	Adjustment Budget	BUDGET
Income	2,652,591,263	2,761,798,586	3,037,977,458
Ass Rates : Government	44,761,253	18,631,221	20,494,343
Ass Rates : Business & industrial	887,698,720	1,122,046,049	1,234,250,654
Ass Rates : Residential	1,653,712,079	1,465,955,690	1,612,551,260
Ass Rates : Farms & Small Holdings	66,419,211	6,010,581	6,611,639
Ass Rates : Vacant Land	-	148,495,842	163,345,427
Ass Rates : Other	-	659,203	724,135
Income Foregone	-578,091,092	-464,199,905	-510,619,900
Income Foregone : Rebates	-578,091,092	-5,309,889	-5,840,879
Income Foregone : Exclusions	-	-447,523,924	-492,276,319
Income Foregone : Pensioner	-	-11,366,092	-12,502,702
Departmental Income	31,633,335	31,633,335	69,663,335
Ass Rates : Departmental	31,633,335	31,633,335	69,663,335
TOTAL ASSESSMENT RATES	2,106,133,506	2,329,232,016	2,597,020,893