

1B.1

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

1B 2021/22 – 2023/24 MEDIUM-TERM CAPITAL BUDGET FOR THE CITY OF JOHANNESBURG

1 STRATEGIC THRUST

Well Governed and Managed City.

2 OBJECTIVE

To present the medium-term capital budget for the 2021/22 to 2023/24 financial years in compliance with Section 16 (2) of the Municipal Finance Management Act 56 of 2003 (MFMA, the Act).

3 SUMMARY

(1) BUDGET PROCESS OVERVIEW

In terms of Section 24 of the MFMA, the annual budget must be approved before the start of the budget year. The MFMA aims to put in place a sound financial framework and sets out timelines for budget preparations and approval.

The budget process for 2021/22 commenced in November 2020 when an EMT Lekgotla was held on 9 -10 November 2020. Departments and municipal entities (MEs) were requested to prepare budget proposals and these budget proposals were then presented to the Budget Steering Committee held on 20 - 22 and 25 January 2021. On 6 March 2021, a Mayoral Lekgotla was held where final budget allocations were issued. Departments and entities were requested to allocate resources towards service delivery with a focus on GLU priorities and initiatives.

The proposed 2021/22 – 2023/24 medium-term budget includes the national and provincial allocations as reflected in the latest Gazettes.

Consultation Process

The draft medium-term budget for 2021/22 – 2023/24 was tabled at Council on 24 May 2021 for consultation both externally and internally. Subsequent to tabling of the budget, the draft budget and proposed tariffs were publicised for stakeholder and public comments.

A report on the outcome of the consultation process on the budget and tariffs will be submitted separately in the agenda for Council to consider.

1B.2

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

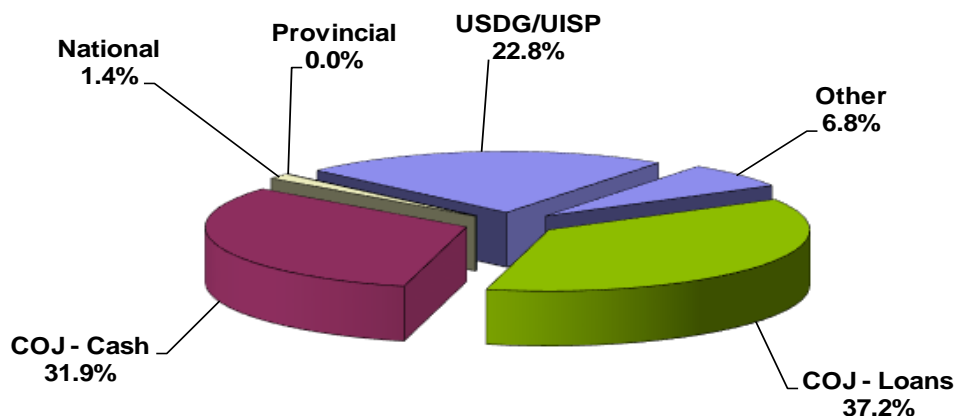
GROUP FINANCE

(2) MEDIUM TERM CAPITAL BUDGET

The level of capital expenditure and borrowing are based on the principles of affordability, prudential indicators and sustainability (debt ratio, current ratio, operating surplus and the impact or return of the capital investment on the operating account).

The capital budget of the City projects a spending plan of approximately R25.5 billion over the next three-year period. The capital budget for the 2021/22 financial year amounts to approximately R8.2 billion. Approximately R5.6 billion of the capital budget will be funded by the City and R2.5 billion from grants and public contributions.

Funding Sources for 2021/22



- R3 billion of capital will be funded from loans;
- R2.6 billion of capital will be funded through cash surpluses;
- R112.8 million will be funded from grants received from National (PTIS – R56.3 million and NDPG – R56.6 million);
- R1.2 billion will be funded through the Urban Settlement Development Grant (USDG);
- R646.4 will be funded through the Upgrading of Informal Settlements Program (UISP); and
- R553.2 million will be funded from other sources (public and bulk service contributions).

1B.3

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

The table below reflects the Medium-Term Capital Budget over the next three years.

Funding source	Adj Bud 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000	Budget 2023/24 R 000
Loan funding	3 000 000	3 032 000	2 751 000	2 594 000
CRR and surplus cash	1 620 442	2 600 000	2 672 000	2 949 000
Grants and contributions	3 027 503	2 525 478	3 121 165	3 259 148
Total	7 647 945	8 157 478	8 544 165	8 802 148

- ... Annexure A attached reflects the Medium-Term Capital Budget per vote.
- ... Annexure B attached reflects the detail capital projects for the 2021/22 to 2023/24 financial years.

The 2021/22 Capital Budget is as follows:

SUSTAINABLE CLUSTER

Sustainable Cluster Capital	Adjusted Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000	Budget 2023/24 R 000
Environment And Infrastructure	168 500	68 000	84 500	92 500
Housing	1 353 890	1 158 759	1 391 027	1 892 875
City Power	753 966	949 823	958 953	876 133
Johannesburg Water	1 036 771	1 140 801	1 166 806	1 013 300
Pikitup	146 823	179 704	99 186	180 236
Johannesburg Social Housing Company	378 000	648 086	596 121	665 177
Total Capital	3 837 950	4 145 173	4 296 593	4 720 221

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R13.2 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2021/22 financial year.

- Environment and Infrastructure is allocated R68 million for capital. Allocation to the various projects include:
 - Braamfonteinspruit Upper Catchment R12 million;
 - Groundwater Exploration: Drilling and commissioning of boreholes R3 million;
 - Operational Capital : Office Furniture and Equipment R8 million;
 - Waste Management : Waste to Energy R5 million;
 - Waste Management: Biodigester R5 million;
 - Waste Management: Waste Sorting Facilities R25 million; and
 - Waste Management: Waste Treatment and Disposal Capacity R10 million.

1B.4

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- The Housing department is allocated a capital budget of R1.2 billion in the 2021/22 financial year. The budget is allocated to the following projects:
 - Braamfischerville Ext 12and13: C Ward R15.5 million;
 - Bramfischerville Ext 7 and 8: R11.2 million;
 - Central Park R5 million;
 - Cosmo City Phase 2 (Malibongwe Ridge) R40 million;
 - Diepkloof Hostel Renewal Bulk Infrastructure Diepkloof Ext.10 D Ward R10 million;
 - Drieziek Ext.3 R10 million;
 - Drieziek Ext.4 R10 million;
 - Drieziek Ext.5 R10 million;
 - Dube Hostel Renewal Building Alterations Dube Ext.2 D Ward R15 million;
 - Elias Motsoaledi Ext1 Township Development (Region D - Ward 24) R45 million;
 - Ennerdale South R10 million;
 - Finetown Proper - Region G R10 million;
 - Fleurhof Mixed Development R30 million;
 - Formalisation of informal settlements (UISP) R446.4 million;
 - Goudrand Rental Development R20 million;
 - Helen Josephs Refurbishment and Upgrading of Women's Hostel Renewal Building Alterations Alexandra Ext.52 E Ward R20 million;
 - Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats Johannesburg F Regional R33.7 million;
 - Kanana Park Ext 1: R10 million;
 - Kanana Park Ext 2: R10 million;
 - Kanana Park Ext 3.4 and 5: R10 million;
 - Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) KLIPSPRUIT D Ward R85 million;
 - Lakeside Ext 1, 3 and 5: R10 million;
 - Land Acquisition for Housing Developments City Wide R10 million;
 - Lehae Ext 1 R30 million;
 - Lufhereng Mixed Development (Bulk, Link and Internal Infrastructure Roads, Storm Water Management Systems, Sewer and Water for 24 000 houses) R50 million;
 - Madala Hostel Redevelopment R50 million;
 - Matholesville Proper R10 million;
 - Meadowlands Hostel Renewal Building Alterations Meadowlands D Ward R20 million;
 - Operational capital (HS) New Operational Capex Braamfontein Werf F City Wide R2 million;
 - Riverside View Ext 28 (Diepsloot Ext 12) R30 million;
 - Site and Services - Formalisation of informal settlements across the City. Renewal Bulk Infrastructure Johannesburg F City Wide R10 million;
 - South Hills Housing Mixed Development R30 million;

1B.5

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Southern Farms Mega Mixed Development R10 million;
 - Stock, Flats and Old-Age Home Upgrading R20 million;
 - Tshepisoong Proper R10 million; and
 - Vlakfontein Ext 3: R10 million.
- City Power is allocated R949.8 million for capital. Allocation to the various projects include:
 - Installation of new public lighting: Group luminaire replacement R30 million;
 - Installation of new public lighting: Street lights (City Wide) R30 million;
 - All fencing and security lighting for various substations. Renewal Building Alterations City Wide R5 million;
 - Acquire servitudes and substation sites New Transmission Line in Reuven R2 million;
 - Electrification of Mega Projects R100 million;
 - Electrification of various Informal Settlements - City Wide R200 million;
 - Emergency work on the transmission network in Reuven R22.5 million;
 - Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R20 million;
 - Emergency work Renewal Medium Voltage Network in Reuven R20 million;
 - Establish new 88/11 kV substation. New Bulk Infrastructure in Ruimsig R60 million;
 - Hurst Hill Sub-station refurbishment Renewal Bulk Infrastructure R30 million;
 - Install new IED's in substations Renewal Protection City Wide R15 million;
 - Install statistical meters on all distributors City Wide R50 million;
 - Installation of new service connections in Alexandra Ext.63 R8 million;
 - Installation of new service connections in Halfway House Ext.74 R8 million;
 - Integrated security, fire detection and suppression systems for major substations. Including fibre optic links (+ - 50 % of budget). New Security Equipment City Wide R10 million;
 - Lutz: Establish new 88/11 kV cabling. New Bulk Infrastructure in Honeydew Manor Ext.11 R35 million;
 - Mobile sub-station R23.8 million;
 - New service connections in Hurst Hill R7.5 million;
 - New service connections in Berea R7.5 million;
 - New service connections in Ferndale Ext.25 R7 million;
 - New service connections in Roodepoort Ext.2 R7 million;
 - New service connections in Reuven R6 million;
 - Operating Capital in Reuven R20 million;
 - Refurbishment of LV infrastructure. Renewal Low Voltage in Reuven R5 million;

1B.6

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Refurbishment of MV infrastructure, switchgear and transformers. Renewal Medium Voltage Network in Reuven R10 million;
 - Replace batteries in sub stations Renewal Bulk Infrastructure City Wide R5.5 million;
 - Replace obsolete energy meters with prepaid units City Wide R32.3 million;
 - Replace open LV conductors with ABC Renewal Low Voltage City Wide R10 million;
 - Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R5 million;
 - Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in Reuven R7.1 million;
 - Revenue Generation Efficiency Project. Pre-paid system installation of semi-automated pre-paid and automated pre-paid (smart meters) City Wide R50 million;
 - RTU installations New SCADA City Wide R10 million;
 - Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R10 million;
 - Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R20 million;
 - Upgrade John Ware Substation Renewal Bulk Infrastructure in Fordsburg R43.7 million;
 - Upgrade MV Network in CBD. Renewal Medium Voltage Network R7 million; and
 - Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R10 million.
- Johannesburg Water is allocated R1.1 billion for capital. Allocation to the various projects include:

Water is allocated R759.2 million and projects include:

- Water Demand Management: New Operate and Maintenance Assets (Orange Farm and Soweto) R236.9 million;
- Operational Capital: Operations and Maintenance R66 million;
- Operational Capital: Corporate Requirements of Johannesburg Water R87 million;
- Alexander Water Upgrade (G7) R10 million;
- Basic Water Service New Basic Water and Sewer Services R50 million;
- Halfway House Water Upgrade R10 million;
- Lenasia High Level Reservoir 10ML R26.3 million;
- Linbro Park Tower 1.5ML R5 million;
- Lion Park Bulk Water and Sewer Infrastructure Upgrade R10 million;
- Louis Botha Corridor (JW: Water) Renewal Corridors of Freedom Intervention R5 million;
- Midrand: Blue Hills Tower 1.8ML R5 million;
- Midrand: Carlswald New Reservoirs R15 million;

1B.7

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Midrand: Carlswald Water Infrastructure Upgrade R16 million;
- Midrand: Erand Tower 2 1.5ML R20 million;
- Midrand: Halfway House Reservoir 20ML R25 million;
- Naturena Bulk Water Upgrade R10 million;
- Operational Capital: Planning and engineering studies R19.5 million;
- Operational Capital: Provision for Emergency Work R30 million;
- Orange Farm/ Deep South: Lenasia Water Upgrade R10 million;
- OV: Infrastructure Renewal Plan R20 million;
- Perth Empire Corridor (JW: Water) Renewal Corridors of Freedom Intervention R15 million;
- Roodepoort/Diepsloot: Robertville Tower 2.25ML R10 million;
- Sandton/ Alexandra: Founder Hill Water Upgrade R2.5 million;
- Sandton/ Alexandra: Woodmead Reservoir 22ML R20 million;
- Sandton/Alexandra: Linbro Park Water Upgrade R20 million;
- Sandton/Alexandra: RW Weltevreden Water Upgrade R5 million; and
- Soweto: Planned Replacement of the Watermains in Mapetla R10 million.

Sewer is allocated R381.6 million and projects include:

- Bushkoppies Works: Infrastructure Renewal Plan R10 million;
- Bushkoppies Works: Upgrade Main Blowers and Pipework R25 million;
- Driefontein Works: Infrastructure Renewal Plan R5 million;
- Ennerdale Works: Replace module mixers and motors R10 million;
- Goudkoppies Works: Infrastructure Renewal Plan R25 million;
- Johannesburg Central: Perth Empire BRT Corridor Sewer Renewal R10 million;
- LA: Module 1 R40 million;
- Midrand: Ivory Park North Upgrade Sewer R10 million;
- Northern Works: Belt Presses New #4 R15 million;
- Northern Works: Infrastructure Renewal R20 million;
- Northern Works: Unit 4 Liquor Treatment R20 million;
- Northern Works: Unit 4: Replacement of Electromechanical R25 million;
- Northern works: Unit 5 mod 2 R31.6 million;
- Peri-urban 781mm Diameter Bulk Main R10 million;
- Roodepoort/ Diepsloot: Diepsloot Sewer Pipelines and Bridge R40 million;
- Roodepoort/ Diepsloot: Lanseria Outfall Sewer Upgrade R20 million;
- Roodepoort/ Diepsloot: Witpoortjie Sewer Upgrade Renewal Bulk Waste Water R10 million;
- Sandton/ Alexandra: Louis Botha Corridor (JW: Sewer) Renewal Corridors of Freedom Intervention R5 million; and
- Soweto: Anthea Nancefield Sewer (Klipspruit River) Phase 1 R50 million.

1B.8

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Pikitup is allocated R179.7 million for capital. Allocation to the various projects include:
 - Facilities renewal, upgrades and new including branding and signage R52.3 million;
 - Buyback and Sorting Facilities including drop-off Centres R5 million;
 - ICT Hardware and Software R3.4 million;
 - Landfill - Goudkoppies New Building Alterations City Wide R5 million;
 - Landfill - Marie Louise New Waste Collection Rand Leases Ext.11 R5 million;
 - Marie Louise MRF R40 million;
 - Robinson Deep Landfill Site: Acquisition of land at Robinson Deep Landfill for New Cell Development R30 million;
 - Separation at Source Facilities and Equipment R34 million; and
 - Waste Bulk Containers R5 million.
- JOSHCO is allocated a capital budget of R648.1 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - 38 Rissik Street (NBS) Inner City Building Conversion R1.5 million;
 - Abel Road Inner City Building Conversion Region F R24.5 million;
 - Booyens Street Inner City Conversion R2 million;
 - Casamia Inner City Building Upgrade Region F R2.5 million;
 - Devland Golden Highway Social Housing Project Region D R80 million;
 - Inner City Buildings Acquisitions R32 million;
 - Lufhereng Social Housing Project Region D R76 million;
 - Marlboro Social Housing Project Region E R1 million;
 - Nancefield Social Housing Project Region D R50 million;
 - Princess Plots Social Housing Project Region C R52.9 million;
 - Randburg Selkirk Social Housing Project Region B R58 million;
 - Roodepoort Social Housing Upgrade Region C R4.6 million;
 - Tum-Key 1: Region A R75.5 million;
 - Tum-Key 1: Region B R75 million;
 - Tum-Key 3: Region D R72.5 million; and
 - Tum-Key 4: Region G R40 million.

1B.9

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Capital	Adjusted Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000	Budget 2023/24 R 000
Community Development	85 099	144 000	132 635	95 400
Health	103 501	119 300	60 100	111 900
Social Development	27 600	76 200	45 000	
Public Safety	162 200	169 365	127 000	30 000
Johannesburg City Parks And Zoo	54 300	102 700	82 800	111 700
Joburg City Theatres	36 108	11 767	12 627	13 195
Total Capital	468 808	623 332	460 162	362 195

The three-year medium-term capital budget of the Human and Social Development Cluster amounts to approximately R1.5 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Human and Social Development Cluster for the 2021/22 financial year.

- Community Development is allocated R144 million. Allocations to the various projects include:
 - Operational capital R2 million;
 - Security measures at facilities new plant and equipment R3 million;
 - Joburg Art Gallery Upgrade R1 million;
 - Upgrading of Museum Africa and Precinct R9 million;
 - Library integrated system R5 million;
 - Johannesburg Library (Centre of Excellence) R10 million;
 - Construction of a new Cosmo City swimming pool R15 million;
 - Construction of Ivory Park new swimming pool R18 million;
 - Construction of a new MPC in Matholesville R15 million;
 - Lehae MPC New Construction R4 million;
 - Minor works at various facilities R14 million;
 - Construction of the new multipurpose centre (Library included) at Kaalfontein R30 million; and
 - Construction of Drieziek MPC R18 million.
- Health is allocated R119.3 million for capital. Allocation to the various projects include:
 - Hardware R1 million;
 - ICT Infra-structure Upgrading R3 million;
 - Software for E-Health Systems R20 million;
 - Software for Environmental Health System R4 million;
 - WAN and LAN Upgrade R1 million;
 - Minor Works at various clinics across the City R9.2 million;
 - Electricity Upgrades, Solar, Generators UPS's and Back-up Electricity for Health Facilities across the City R5.5 million;

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Airconditioners: Supply, install and renew of air conditioners in Health Facilities across the City R300 thousand;
 - Freedom Park New Clinic R2 million;
 - Hikensile Clinic Renewal R2 million;
 - Lawley Clinic Renewal R2 million;
 - Naledi New Clinic R44 million;
 - Operational Capital R7.6 million;
 - Princess Clinic Renewal R2 million;
 - Protea South Clinic Renewal R12.7 million;
 - Rabie Ridge Clinic Renewal R2 million; and
 - Zandspruit New Clinic (Acquisition of land, layout and design and construction of buildings etc.) R1 million.
- Social Development is allocated R76.2 million for capital. Allocation to the various projects include:
 - Betrams New Multi-Purpose Center R35 million;
 - Furniture for Northern Farm, Fleurhoff and Eikenhoff Farm R1 million;
 - Minor Upgrades of all Social Development Facilities R1 million;
 - Operational Capital: Equipment and Machinery for Agricultural and Food Resilience (Tractor, Rippers and Planters) R3.3 million;
 - Operational Capital Renewal - Operationalise Substance Abuse Directorate R2.4 million;
 - Refurbishment of the Yetta Nethan Community Centre R20 million;
 - Shelter for GBV in Orange Farm R1.5 million; and
 - Shelters for Displaced People R12 million.
- Public Safety Department is allocated a capital budget of R169.4 million in the 2021/22 financial year. The budget is allocated to the following departments.

Public Safety: Head Office

- Upgrading of Weighbridges at Licensing Testing Centres R1.5 million;
- Construction of a business desk at Midrand (One Stop shop for corporate clients) R50 million;
- Integrated Intelligent Operational Centre (IIOC) R20 million;
- Office Furniture R1 million;
- Operational Capital: (JMPD) New Operational Capex Braamfontein Werf F City Wide R900 thousand; and
- Standby generators, air conditioners and office equipment R2 million.

Public Safety: EMS

- Building of EMS training academy for the City of Johannesburg New Building Lehae Ext.1 G City Wide R20 million;

1B.11

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Equipment cache for Urban Search and Rescue (New technology) New Plant and Equipment Martindale B City Wide R10 million;
- Fire and Rescue Equipment Replacement Program Martindale C City Wide R10 million; and
- New Fire Station - Central Fire Station Marshalls Town F Ward R20 million.

Public Safety: JMPD

- CCTV for the protection of City of Johannesburg Council owned property. New Plant and Equipment City and Suburban Ext.9 F City Wide R4 million;
 - Electronic Enforcement (E-Citation) R10.25 million;
 - New Radio Communication system New Plant and Equipment City and Suburban Ext.6 F R14.7 million;
 - Operational Capex: Computers for Regional Commanders New Operational Capex Johannesburg E City Wide R2 million; and
 - Supply Firearms to the JMPD new recruits Renewal Plant and Equipment City; and
 - Suburban Ext.6 F City Wide R3 million.
- Johannesburg City Parks and Zoo is allocated R102.7 million for capital. Allocation to the various projects include:
 - Bheki Mlangeni Park R5 million;
 - Braamfischer Parks R3 million;
 - Cemetery Upgrades- Phase 1 R14 million;
 - City Parks House New Computer Hardware and IT Equipment R4 million;
 - City Parks House New Furniture R4 million;
 - Development and Upgrading of Riverlea Parks Renewal R1.7 million;
 - Dorothy Nyembe EE - E-Learning Center R3 million;
 - Florida Park Upgrade R3 million;
 - Golden Harvest Park Upgrade R3.5 million;
 - Innercity Parks Intervention Development and Upgrading R11 million;
 - Botanical Gardens Infrastructure Upgrade in Emmarentia R4 million;
 - Lenasia New Eco Park Development R3.7 million;
 - Olifantsvlei Cemetery Renewal R10 million;
 - Protea Glen New Park Development R2 million;
 - Plant and Equipment R4 million;
 - Road Islands and Town Entrances Greening and Beautification R3 million;
 - Tsepisong New Park Development R5 million;
 - Upgrade of existing parks to Occupational Health and Safety Standards City Wide R R7.8 million;
 - Upgrading of Huddle Park Nursery Renewal R1 million;
 - Zoo Infrastructure Renewal Building Alterations R8 million; and

1B.12

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Zoo - Animal Purchases New Operational Capex R2 million.
- Joburg City Theatre is allocated R11.8 million. Allocations to the various projects include:
 - Promusica Theatre - Information Technology New Computer Hardware and Software R955 thousand;
 - Promusica Theatre - Upgrading of Technical Equipment (sound and lighting) R530 thousand;
 - Joburg Theatre - Building Renovations and Upgrades New Building Alterations R955 thousand;
 - Joburg Theatre - Technical Equipment New Capex R955 thousand;
 - Joburg Theatre - Upgrade of Stage Machinery renewal plant and equipment R5.7 million;
 - Promusica Theatre - Building renovations and upgrades R416 thousand;
 - Soweto Theatre - Building Renovations and upgrades R1.2 million; and
 - Soweto Theatre - Upgrading of Technical Equipment Renewal Building Alterations R948 thousand.

ECONOMIC GROWTH CLUSTER

Economic Growth Cluster Capital	Adjusted Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000	Budget 2023/24 R 000
Economic Development	5 680	12 880	500	500
Transport	730 456	399 591	1 097 660	1 217 482
Development Planning	186 394	149 612	155 700	197 000
Joburg Market	200 410	79 500	67 500	93 500
Johannesburg Property Company	147 981	56 658	129 907	850
Johannesburg Development Agency	237 346	214 000	182 000	72 000
Johannesburg Roads Agency	978 195	732 500	975 132	1 126 908
Metrobus	95 230	147 633	90 293	50 322
Joburg Tourism				
Total Capital	2 581 692	1 792 374	2 698 691	2 758 562

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R7.3 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2021/22 financial year.

- Economic Development is allocated a capital budget of R12.9 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - Inner City Roadmap Economic Development Initiatives Renewal Inner City Intervention Johannesburg F Regional R3 million;

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Mobile Opportunity Centre - Opportunity Seekers City-wide R6.2 million; and
- Operational Capital R3.7 million.
- The Transport department is allocated a capital budget of R399.6 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - PTF: Public Transport Facility in Sandton R500 thousand;
 - 2804_01_Rea Vaya BRT Guard Houses and Customer Care Centers R5.6 million;
 - PTF: Redevelopment of Inner City Ranks R66.7 million;
 - 22783_00_Operational Capital R2 million;
 - 22783_01_Computer Hardware R750 thousand;
 - 22783_02_Furniture R750 thousand;
 - 22783_03_Office Machines R500 thousand;
 - 2804_14_Signage, Demarcation blocks and Corridor Road Markings R2.8 million;
 - 2804_16_Rea Vaya BRT Phase 1C New Stations R25 million;
 - COMPL: Sidewalk Improvements: Tsiawelo Metrorail Station Link: Mhlaba / C Hani New Nodal Transport Facilities Chiawelo D City Wide R5 million;
 - Complete Streets: (KFW - German Development Bank): Orlando East to UJ Soweto Route R13 million;
 - Complete Streets: Deep South R5 million;
 - Complete Streets: NMT links to public transport facilities in Orange Farm R1 million;
 - Complete Streets: NMT links to public transport facilities in Tshepisong R1 million;
 - Complete Streets: NMT links to Railway Stations: Phefeni Station R1 million;
 - Complete Streets: Turfontein R5 million;
 - PTF Small Public Transport Facility Design and Construction of Zola Public Transport Facility New Nodal Transport Facilities Zola D Regional R1 million;
 - PTF: Public Transport Stops in Cosmo City R1 million;
 - PTF: Small Public Transport Facilities: Tshepisong R1 million;
 - PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities Kya Sand R30 million;
 - PTF: Transfer Facility: Lenasia Scholar Transport Interchange R1 million;
 - PTF: Upgrading of Rosebank Public Transport Facility R6 million;
 - PTF: Upgrading of Sunninghill Public Transport Facilities R1 million;
 - PTF: Small Public Transport Facility Design and Construction of Lakeside New Nodal Transport Facilities (Stops and Holding Facility) R1 million;

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Purchase of buses (Rea Vaya:2018/19-19/20; and Metrobus: 2020/21) R169.1 million;
 - Rea Vaya Auto Fare Collection System (AFCS) R22.9 million; and
 - Small: Public Transport Facility in Zakariya Park Region G R30 million.
- Development Planning is allocated R149.6 million. Allocations to the various projects include:
 - Brixton Social Cluster R46 million;
 - Ghandi Square East R30 million;
 - Inner City Partnership Fund R16.5 million;
 - Innercity Core PEU (Including the Southern Parts) R2 million;
 - Jabulani Precinct Upgrades R26.6 million;
 - New Turfontein Clinic and Multi-purpose Centre R21.8 million; and
 - Operating Capital R6.7 million.
- Joburg Market is allocated a capital budget of R79.5 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - Upgrades to the Main Building (Mandela Market. Cold Rooms ,Offices and Food Courtyard) R45 million;
 - Alternative Energy Systems R15 million;
 - Office equipment New/Renewal New Office Equipment R3.5 million;
 - Operational Capital - Cleaning in-sourcing R10 million;
 - Operational Capital: Computer Software New Computer Software City deep Ext.22 F Regional R1 million; and
 - Upgrade of Market Facilities Cooling of the Halls R5 million.
- Johannesburg Property Company is allocated a capital budget of R56.7 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - Acquisition of Cleaning Equipment R15 million;
 - Computer Equipment - New Computer Upgrades R7.5 million;
 - Erf 43-46 Victoria Ext 3 (Paterson Park Node) Victoria Ext.3 E Regional R2.2 million;
 - Marlboro Station Project Land Preparation R5 million;
 - Metromall Taxi Rank Shop Revitalization and Waste Management Area Redesign R6 million;
 - Office Space Optimization Program New Precinct Redevelopment Johannesburg F City Wide R15 million;
 - Site Development Projects New Land Preparation Johannesburg F City Wide R6 million.

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Johannesburg Development Agency is allocated R214 million. Allocations to the various projects include:
 - Balfour Park Transit Precinct Development (Louis Botha Corridor) Renewal Precinct Redevelopment R20 million;
 - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention R5 million;
 - Perth Empire Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention R12 million;
 - Diepsloot Development Renewal Precinct Redevelopment R20 million;
 - Inner City Eastern Gateway TOD and Movement Corridors R20 million;
 - Ivory Park UDF Development Catalytic Node Infrastructure Projects R10 million;
 - Klipfontein View Wellness Centre R30 million;
 - Melville Activity Street Neighbourhood Development R17 million;
 - Operational Capex R5 million;
 - Orlando East Station Precinct New Precinct Redevelopment R10 million;
 - Pennyville Precinct Renewal Precinct Redevelopment R20 million;
 - Randburg CBD regeneration Renewal Precinct Redevelopment R10 million;
 - Regeneration of Lenasia CBD and Anchorville Industrial Hub R10 million;
 - Revitalization of Pageview and Vrededorp R10 million; and
 - Roodepoort CBD regeneration Renewal Precinct Redevelopment R15 million.
- Johannesburg Roads Agency is allocated a capital budget of R732.5 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - Tarring of Gravel Roads: Tshepisong. New Roads: Construction and Upgrades Tshepisong C Ward R30 million;
 - Tarring of Gravel Roads: Diepsloot. New Roads: Construction and Upgrades Diepsloot West Ext.3 A Ward R30 million;
 - Tarring of Gravel Roads: Mayibuye. New Roads: Construction and Upgrades Commercial A Ward R20 million;
 - Tarring of Zandspruit Access Road R1 million;
 - Conversion of Open Drains to underground storm water system in Bram Fischer. Renewal Stormwater Management Projects Bram Fischer C Ward R20 million;

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- BRID 11 - Bridge Rehabilitation. Renewal Bridges (Pedestrian and Vehicles) Johannesburg F City Wide. The bridges include Modderfontein Road Dorelan, Bridge Drive Bradley View, The Avenue (Hilson) The Gardens, 12th Avenue Bryanston R50 million;
- BRID 20 - Bridges: Replacement of bridges (Pedestrian and Vehicles) Johannesburg F City Wide - Spring Road Bridge R60 million;
- CATCH - Flooding intervention and alleviation in Far East Bank - Alexandra R10 million;
- CATCH 10 - Emergency Stormwater Improvement (Multi-year): Protea Glen Ext 1-4 (Phase 1-5). New Stormwater Catchments Protea Glen D Ward R25 million;
- CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments Vorna Valley Ext.13 A Ward R6 million;
- MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects Johannesburg F City Wide R15 million;
- MISCL - Emergency, Critical and Urgent Depot Stormwater Improvements. Existing Stormwater Management Projects Johannesburg City Wide R90 million;
- MISCL - Integrated Roads and Stormwater Masterplanning. New Stormwater Management Projects Johannesburg F City Wide R10 million;
- MISCL - Investigate and Design Future Schemes. New Operational Capex Johannesburg F City Wide R6 million;
- MISCL - Tarring of Gravel Roads: City Wide R40 million;
- MOB - Alternative Energy: Alternative Power Sources (LED). New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R3 million;
- MOB - Alternative Energy: Alternative Power Sources (UPS). New Mobility: Intelligent Transportation System and Networks J F City Wide R8 million;
- MOB - Geometric Improvements. Renewal Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R15 million;
- MOB - Guardrails. Renewal Roads: Construction and Upgrades Johannesburg F Regional R10 million;
- MOB - Installation of New Warranted Traffic Signals R5 million;
- MOB - Intelligent Transport Systems (ITS) Projects. New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R5 million;
- MOB - Recabling of Traffic Signals. Intelligent Transportation System and Networks Johannesburg F City Wide R20 million;
- MOB - Remote Monitoring: Urban Traffic Control (UTC). New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R2 million;
- MOB - SARTSM: Upgrade Traffic Signals intersections City Wide R8 million;

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- MOB - Traffic Management Centre. Renewal Mobility: Intelligent Transportation System and Networks R9 million;
 - MOB - Upgrading Controllers and Phasing. Renewal Mobility: Intelligent Transportation System and Networks Johannesburg F Regional R5 million;
 - MOB - Upgrading of Traffic Signals Controllers. Intelligent Transportation System and Networks Johannesburg F City Wide R6 million;
 - Operational Capital: CS - Depot Upgrading and Standardization. Renewal Operational Capex Johannesburg F City Wide R30 million;
 - Operational Capital: CS - Operational Capex. Renewal Operational Capex Johannesburg F City Wide R25 million;
 - RAMS - GIS Improvement R25 million;
 - REHAB - Rehabilitation of Open Channels City Wide. Renewal Stormwater Management Projects Johannesburg F City Wide R15 million;
 - RESUR - Resurfacing of M1 Motorway. Renewal Roads: Rehabilitation Melrose E City Wide R30 million;
 - RESUR - Resurfacing of M2 Motorway. Renewal Roads: Rehabilitation Johannesburg F City Wide R30 million;
 - RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg City Wide R20 million;
 - RESUR - Resurfacing of Soweto Highway. Renewal Roads: Rehabilitation Orlando D City Wide R30 million;
 - RNP004_James Street Extension. New Roads: Construction and Upgrades Ennerdale G Regional R2 million;
 - RNP005_Spenofcer Road New Link New Roads: Construction and Upgrades Fleurhof C Regional R2 million;
 - RNP022_Richards Drive Upgrading Renewal Roads: Construction and Upgrades Halfway House Ext.95 R1.5 million;
 - RNP085_Bulk stormwater development/Transport hub Sandown E Ward R10 million; and
 - Traffic calming measures City Wide R3 million.
- Metrobus is allocated a capital budget of R147.6 million in the 2021/22 financial year. The budget is allocated to the following projects:
 - Building - Building Alterations/Upgrade R10 million;
 - Bus Refurbishment R20 million;
 - Cashless Ticketing System, Bus CCTV, on board machine R100 million;
 - Engine and Gear box refurbishment R8 million;
 - IT Equipment, New Computers and Hardware Computer Hardware R7.5 million; and
 - Plant and Machinery R2.1 million.

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE**GOOD GOVERNANCE CLUSTER**

Good Governance Cluster Capital	Adjusted Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000	Budget 2023/24 R 000
Group Forensic Investigation Services	900	5 250	5 000	
Office Of The Ombudsman	2 000	550	1 400	200
City Manager	178 800	613 334	537 108	508 167
Group Information And Communication Technology	468 500	555 600	325 600	395 600
Group Finance	27 000	28 000	10 500	
Group Corporate And Shared Services	62 345	355 364	206 111	54 703
Metropolitan Trading Company	15 000	33 500		
Speaker: Legislative Arm Of Council	4 950	5 000	3 000	2 500
Total Capital	759 495	1 596 598	1 088 719	961 170

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R3.6 billion. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2021/22 financial year.

- Group Forensic Investigation Services is allocated R5.2 million for capital. Allocation to the project include:
 - Operational Capital R250 thousand; and
 - Information Management Centre Johannesburg R5 million.
- Ombudsman is allocated R550 thousand for capital. Allocation to the project include:
 - Operational Capex- Computer R550 thousand.
- City Manager is allocated R613.3 million for capital. Allocation to the project include:
 - Orange Farm and surrounds Turnkey Projects R240 million;
 - Ivory Park and surrounds Turnkey projects R124 million;
 - Kliptown and surrounds Turnkey projects R50 million;
 - MISCL - Tarring of Gravel Roads: Kaalfontein. New Roads: Construction and Upgrades A Ward R30 million;
 - CONV - Conversion of Open Drains to underground storm water system/Covered Drains in Orange Farm. Renewal Stormwater Management Projects G Ward R45 million;
 - MISCL - Tarring of Gravel Roads: Orange Farm and Surrounding Areas. New Roads: Construction and Upgrades G Ward R74.9 million;
 - Operational Capital R380 thousand; and
 - PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G) R49 million.

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- Group Information and Communication Technology is allocated R555.6 million. Allocations to the various projects include:
 - Infrastructure End User Computer Hardware R40 million;
 - Infrastructure upgrading R110 million;
 - Microsoft Licenses R140 million;
 - Non Sap Application Modernization and Optimization R15 million;
 - Operational capital R600 thousand;
 - SAP and Non-SAP Archiving R90 million;
 - Sap software Upgrade/re-implementation to latest SAP version R50 million;
 - Smart City Enablement R15 million;
 - Upgrading of Security Hardware Equipment R25 million;
 - WAN and LAN Upgrade R30 million; and
 - WIFI Rollout R40 million.
- Group Finance is allocated R28 million for capital. Allocation to the various projects include:
 - Capital Enhancement System Renewal Computer Software JOHANNESBURG F City Wide R8 million;
 - New Office Equipment and Furniture City Wide R5 million;
 - Operational Capital-Look and Feel Project R10 million; and
 - Valuation Roll System R5 million.
- Group Corporate and Shared Services is allocated R355.4 million. Allocations to the various projects include:
 - Procurement of fleet - Red fleet (Fire Engines) R180.2 million;
 - Procurement of fleet - Specialized vehicles R162 million;
 - Essential work tools for GHCM employees R4.1 million;
 - Essential work tools for SHELA and FCM employees R7 million; and
 - Logistics Unit - Apple Macintosh Computers and Software R2 million.
- Metropolitan Trading Company is allocated R33.5 million for capital.
 - Data Containerization for Core Network R15 million;
 - IT Equipment R3.5 million; and
 - Network Equipment Upgrade R15 million.
- The Speaker: Legislative Arm of the Council is allocated R5 million for capital. Allocation to the project include:
 - Tools of Trade (New Councillors 270) for staff, councillors, and governance structures in the legislature for computers, printers R5 million.

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

4 POLICY IMPLICATIONS

None.

5 LEGAL AND CONSTITUTIONAL IMPLICATIONS

This report is in compliance with the provisions of The Municipal Finance Management Act (Act 56 of 2003).

6 FINANCIAL IMPLICATIONS

Consolidated Capital Budget:

Capital budget estimates for the medium-term framework are as follows:

2021/22	8 157 478
2022/23	8 544 165
2023/24	8 802 148

7 COMMUNICATION IMPLICATIONS

In terms of Section 24 of the MFMA, the Accounting Officer must inter alia, submit the approved budget to National Treasury and Provincial Treasury immediately after the approval of the budget.

The approved budget will also be communicated to the community and various stakeholders in the manner prescribed by law.

8 OTHER BODIES/DEPARTMENTS CONSULTED

Group Legal and Contracts, all Core Departments and Municipal Entities.

9 KEY PERFORMANCE INDICATOR

Management of the budget process in compliance with the Municipal Finance Management Act Chapter 4.

IT IS RECOMMENDED

- 1 That the capital budget of R8 157 478 000 for the year 2021/22, R8 544 165 000 for the year 2022/23 and R8 802 148 000 for the year 2023/24 of the City of Johannesburg be approved in terms of Section 16 (3) of the MFMA as set out in the following schedules:**

- (1) Capital budget by vote for each of the Municipal Entities and Core Administration as reflected in Annexure A.**

1B.21

City of Johannesburg Council 2021-05-25/27

COJ : MAYORAL COMMITTEE 2021-05-20

GROUP FINANCE

- (2) Capital budget by project for each of the Municipal Entities and Core Administration as reflected in Annexure B.**

(GROUP FINANCE)

(Ntuthuzelo April)

(Tel. (011) 358-3290)

(tc)

THE NEXT ITEM FOLLOWS THE ANNEXURES TO THIS ITEM