

THE 2022/23 BUDGET WAS APPROVED AT THE END OF MAY 2022 AND IS GEARED TOWARDS MAINTAINING FINANCIAL STABILITY WHILE ADVANCING SERVICE DELIVERY AND DRIVING CRITICAL INFRASTRUCTURE INVESTMENT.

# CITY OF TSHWANE VISION

To become a prosperous capital city through fairness, freedom and opportunity

The vision of the City capitalises on Tshwane's position as South Africa's capital of opportunity and is embedded in the values of fairness, freedom and opportunity. The 2022/23 Budget represents the collective strategic priorities of the City of Tshwane multiparty coalition government.

THE TEN STRATEGIC FOCUS AREAS TO DEVELOP TSHWANE AND FAST-TRACK SERVICE DELIVERY ARE AS FOLLOWS:

1 PRIORITYSE THE ELECTRICAL GRID AND WATER INFRASTRUCTURE

3 BE A BUSINESS-FRIENDLY CITY THAT PROMOTES EMPLOYMENT AND ECONOMIC GROWTH

5 MAINTAIN A CLEAN AND PROTECTED NATURAL ENVIRONMENT

7 BE A CARING CITY THAT SUPPORTS THE VULNERABLE AND PROVIDES SOCIAL RELIEF

9 PROVIDE A PROFESSIONAL PUBLIC SERVICE THAT DRIVES ACCOUNTABILITY AND TRANSPARENCY

2 PROVIDE STRINGENT FINANCIAL MANAGEMENT AND OVERSIGHT

4 ENHANCE CITY SAFETY, SECURITY AND EMERGENCY SERVICES

6 MAINTAIN AND EXPAND ROAD INFRASTRUCTURE AND PUBLIC TRANSPORTATION

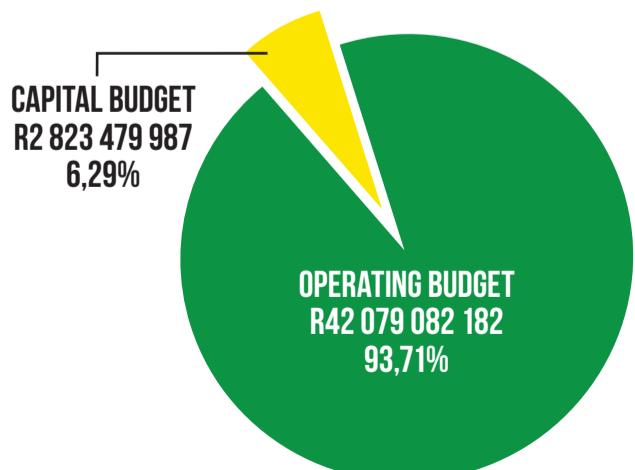
8 MODERNISE AND DIGITISE CITY PROCESSES

10 CREATE A HEALTHY AND VIBRANT CITY

The City's multiparty coalition government consists of the Democratic Alliance, ActionSA, Freedom Front Plus, African Christian Democratic Party, Inkatha Freedom Party and the Congress of the People.



THE CITY APPROVED A TOTAL BUDGET OF R44,9 BILLION FOR THE 2022/23 FINANCIAL YEAR. THE OPERATING BUDGET IS R42,1 BILLION AND THE CAPITAL BUDGET IS R2,8 BILLION.



- The capital budget deals mainly with investment in infrastructure (such as constructing roads, the electricity distribution network and reservoirs, and upgrading community facilities).

- The operating budget deals with the day-to-day operations of the City to ensure delivery of services to all communities.

# TARIFF INCREASES

## Water

A network availability charge for all properties irrespective of usage will be implemented. The network availability charge is equal to the first 9 kℓ charge for residential properties, which will cover the bulk cost and part of the operating costs.

The consumptive charges will increase by 9% on average. Registered indigents and residents with a property value of R150 000 or less are exempted from the network availability charge.

12 kℓ of water per 30-day period will again be granted free of charge to registered indigent households. It should further be noted that free water is also supplied to informal areas by water tankers and standpipes.

THE 9% WATER TARIFF INCREASE IS SUMMARISED AS FOLLOWS:

Water tariff: Level 1 restriction			
Category	Current tariff 2021/22	New tariff 2022/23	Increase
<b>Domestic</b>			
0 to 9 kℓ	-	-	
10 to 18 kℓ	R22,98	R25,05	9%
19 to 30 kℓ	R31,10	R33,90	9%
31 to 42 kℓ	R35,80	R39,02	9%
43 to 60 kℓ	R38,30	R41,75	9%
More than 60 kℓ	R41,01	R44,70	9%
Network access charge	R130,00	R141,70	9%
<b>Non-domestic</b>			
0 to 10 000 kℓ	R28,23	R30,77	9%
10 001 to 100 000 kℓ	R26,79	R29,20	9%
More than 100 000 kℓ	R24,97	R27,22	9%

## Sanitation

Sanitation charges are calculated according to the percentage of water discharged as indicated in the table below:

### COMPARISON BETWEEN CURRENT SANITATION CHARGES AND INCREASES

Sanitation tariff				
Category	Water discharged	Current tariff 2021/22	New tariff 2022/23	Increase
0 to 9 kℓ	98%	-	-	
10 to 12 kℓ	90%	R16,73	R18,24	9%
13 to 18 kℓ	75%	R16,73	R18,24	9%
19 to 24 kℓ	60%	R16,73	R18,24	9%
25 to 30 kℓ	52%	R16,73	R18,24	9%
31 to 42 kℓ	10%	R16,73	R18,24	9%
More than 42 kℓ	R16,73	R16,73	R18,24	9%
Network access charge		R77,00	R83,90	9%

Registered indigents and residents with a property value of R150 000 or less are exempted from the network availability charge.



## Property RATES

The first R15 000 of the market value of all residential properties is legislatively impermissible for the charging of property rates, and a further valuation reduction of R135 000 is granted by the City for charging property rates. All residential properties are thus not charged any property rates on the first R150 000 of the value and registered indigents pay no property rates. Furthermore, the social package is extended to all properties valued at R150 000 and below.

The residential tariff is the baseline tariff, which determines the ratios of some of the other tariffs. The rate ratio of residential to agricultural and public benefit organisations is legislatively determined to be 1:0,25.

**BASED ON A 6% INCREASE FROM 1 JULY 2022, CALCULATIONS CAN BE DONE AS FOLLOWS:**

Example of calculation of monthly property rates on residential properties			
Description	Value	Cent in the rand	Monthly rate
Market value	R1 000 000,00	R0,01107	R922,50
Impermissible value	-R15 000,00	R0,01107	-R13,84
Valuation rebate	-R135 000,00	R0,01107	-R124,54
<b>Monthly rates</b>			<b>R784,12</b>

## Electricity

The tariff increase for domestic, commercial and industrial customers is 7,47% in line with the National Energy Regulator of South Africa's guideline for municipalities.

The tariff structure regarding households provides for inclining block tariffs. Registered indigents are granted 100 kWh free of charge.

THE PROPOSED SLIDING SCALE TARIFFS FOR THE 2022/23 FINANCIAL YEAR THAT APPLY TO HOUSEHOLDS ARE AS FOLLOWS:

Electricity residential	Current tariff 2021/22	New tariff 2022/23	Increase
1 to 100 kWh	195,13 c/kWh	209,70 c/kWh	7,47%
101 to 400 kWh	228,35 c/kWh	245,41 c/kWh	7,47%
401 to 650 kWh	248,79 c/kWh	267,38 c/kWh	7,47%
More than 650 kWh	268,20 c/kWh	288,24 c/kWh	7,47%

## Refuse REMOVAL

A tariff increase of 6% for 2022/23 is proposed to render a stable refuse removal service to all areas. Refuse removal charges are based on the volume of refuse removed (container size) per week.

Description	Current tariff 2021/22	New tariff 2022/23
	Per month	Per month
<b>Weekly service charge</b>		
85 ℥ x 1 day per week (black bin)	R111,59	R118,28
85 ℥ x 2 days per week (black bin)	R223,17	R236,56
140 ℥ x 1 day per week	R183,73	R194,76
240 ℥ x 1 day per week (black bin)	R315,01	R333,92
1 100 ℥ x 1 day per week	R1 444,02	R1 530,67

The City of Tshwane reserves the right to determine the type of service, the minimum number of containers and the frequency of services per area.



# OPERATING PROGRAMMES

THE FOLLOWING ARE SOME OF THE PROGRAMMES ACCOMMODATED WITHIN THE OPERATIONAL BUDGET:

Bulk purchases: Electricity – R12,1 billion	Bulk purchases: Rand Water – R3,5 billion	Centurion Lake (maintenance) – R25 million	Community development (food bank) – R4,8 million	Drug and substance abuse – R33,8 million	Electricity disconnections – R27,5 million	Electricity main supply and electricity reticulation (repairs and maintenance) – R160,9 million
Electricity reticulation and power stations (repairs and maintenance) – R83,1 million	Eskom connections – R5,2 million	Expanded Public Works Programme initiatives – R70 million	Forensic audit – R28 million	Household refuse removal – R745,1 million	Housing top structures (Human Settlements Development Grant) – R34,8 million	Inner city (household refuse removal) – R10,4 million
Local economic development and SMME initiatives – R5,7 million	Market infrastructure repairs and maintenance – R8,4 million	Prevention of illegal land invasion – R31,6 million	Rental of plant and equipment – R43,6 million	Repairs and maintenance of clinics – R10,8 million	Repairs and maintenance of infrastructure and facilities – R352,9 million	Repairs and maintenance of resorts, dumping sites and nature reserves – R58,1 million
Revenue enhancement: Debt collection – R148 million	Sanitation chemical toilets – R37,5 million	Sinkholes – R29,6 million	Waste water purification – R73,8 million	Water purification works – R13,5 million	Water tankers (rudimentary services) – R291,7 million	Wi-Fi – R23,8 million

*Key*

## CAPITAL PROJECTS

SOME OF THE MAIN PROJECTS AND KEY FOCUS AREAS OF THE BUDGET AND INTEGRATED DEVELOPMENT PLAN TO BE ADDRESSED IN 2022/23 INCLUDE THE FOLLOWING:

