

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

1 PRIORITY THE ELECTRICAL GRID AND WATER INFRASTRUCTURE

2 PROVIDE STRINGENT FINANCIAL MANAGEMENT AND OVERSIGHT

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

4 ENHANCE CITY SAFETY, SECURITY AND EMERGENCY SERVICES

5 MAINTAIN A CLEAN AND PROTECTED NATURAL ENVIRONMENT

6 MAINTAIN AND EXPAND ROAD INFRASTRUCTURE AND PUBLIC TRANSPORTATION

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

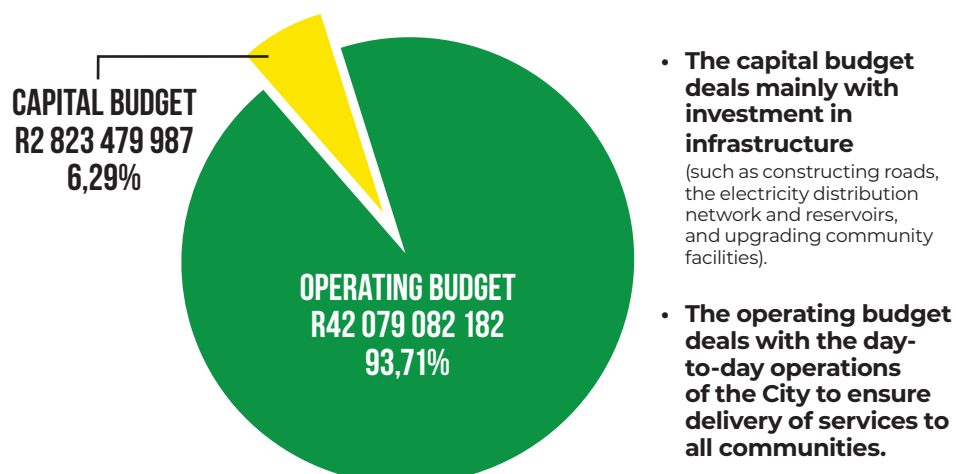
8 MODERNISE AND DIGITISE CITY PROCESSES

9 PROVIDE A PROFESSIONAL PUBLIC SERVICE THAT DRIVES ACCOUNTABILITY AND TRANSPARENCY

10 CREATE A HEALTHY AND VIBRANT CITY



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.



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
Domestic			
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%
Non-domestic			
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.

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
Weekly service charge		
85 ℓ x 1 day per week (black bin)	R111,59	R118,28
85 ℓ x 2 days per week (black bin)	R223,17	R236,56
140 ℓ x 1 day per week	R183,73	R194,76
240 ℓ x 1 day per week (black bin)	R315,01	R333,92
1 100 ℓ 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.

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
Monthly rates			R784,12



OPERATING PROGRAMMES

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

**Bulk purchases:
Electricity –
R12,1 billion**

**Electricity
reticulation and
power stations
(repairs and
maintenance) –
R83,1 million**

**Local economic
development
and SMME
initiatives –
R5,7 million**

**Revenue
enhancement:
Debt collection –
R148 million**

**Bulk purchases:
Rand Water –
R3,5 billion**

**Eskom
connections –
R5,2 million**

**Market
infrastructure
repairs and
maintenance –
R8,4 million**

**Sanitation
chemical toilets –
R37,5 million**

**Centurion Lake
(maintenance) –
R25 million**

**Expanded
Public Works
Programme
initiatives –
R70 million**

**Prevention
of illegal land
invasion –
R31,6 million**

**Sinkholes –
R29,6 million**

**Community
development
(food bank) –
R4,8 million**

**Forensic audit –
R28 million**

**Rental of plant
and equipment –
R43,6 million**

**Waste water
purification –
R73,8 million**

**Drug and
substance
abuse –
R33,8 million**

**Household refuse
removal –
R745,1 million**

**Repairs and
maintenance of
clinics –
R10,8 million**

**Water
purification
works –
R13,5 million**

**Electricity
disconnections –
R27,5 million**

**Housing top
structures (Human
Settlements
Development
Grant) –
R34,8 million**

**Repairs and
maintenance of
infrastructure
and facilities –
R352,9 million**

**Water tankers
(rudimentary
services) –
R291,7 million**

**Electricity
main supply
and electricity
reticulation
(repairs and
maintenance) –
R160,9 million**

**Inner city
(household
refuse removal) –
R10,4 million**

**Repairs and
maintenance of
resorts, dumping
sites and nature
reserves –
R58,1 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:

**Asset
Protection
Unit: Policing
equipment –
R1 million**

**Bronkhorstbaai:
Refurbish and
upgrade water
purification plant –
R35 million**

**Bus Rapid
Transit
infrastructure –
R269,7 million**

**Cable theft
technology –
R10 million**

**Construction
of 264 social
housing units:
Sunnyside –
R8,5 million**

**Construction
of 607 social
housing units:
Timberlands –
R38 million**

**Construction of
roads and storm
water –
R120,6 million**

**Detail design
and internal
reticulation:
Townlands –
R85,2 million**

**Electricity for All
programme –
R137 million**

**Internal roads:
Northern areas –
R51 million**

**Marabastad
informal traders
formalisation –
R7 million**

**New bulk
electricity
infrastructure –
R101 million**

**New Lusaka
Clinic –
R49 million**

**Prepaid electricity
meters –
R57 million**

**Purification plant
upgrades –
R36,1 million**

**Redevelop
hostels:
Mamelodi –
R3 million**

**Refurbish water
networks and
address
backlogs –
R97 million**

**Replace worn-out
water network
pipes –
R75 million**

**Replace, upgrade
and construct
waste water
treatment works
facilities –
R146,8 million**

**Services for
township
developments –
R36,9 million**

**Sewer reticulation
and toilets:
Ekangala Block
A to F –
R59 million**

**Redevelop
hostels:
Saulsville –
R3 million**

**Refurbish
subtransmission
electrical
infrastructure –
R114 million**

**Tsotososo
Programme
(upgrading roads
in Saulsville) –
R10,2 million**

**Upgrading and
extension of
market facilities –
R10 million**

**Upgrading
Caledonian
Stadium –
R25 million**

**Upgrading of road
from gravel to tar
in Ekangala (Ward
102, 103, 104
and 105) –
R13,2 million**

**Upgrading
Refilwe
Stadium –
R32 million**

**Tshwane
Automotive SEZ
Phase 1 bulk
infrastructure
roll-out –
R113 million**

**Tshwane
Public Lighting
Programme –
R13 million**

**Water
conservation
and demand
management –
R90 million**

**Sewer
reticulation:
Kudube
Unit 5 –
R38 million**

**Purchase books,
book security
system, furniture
and equipment
(community
libraries) –
R14,5 million**

**Detail design
and bulk
infrastructure:
Chantelle –
R101 million**



IGNITING EXCELLENCE

www.tshwane.gov.za

