



## A BUDGET AIMED AT EXCELLENCE

OUR VISION FOR TSHWANE IS FOR IT TO BECOME A PROSPEROUS CAPITAL CITY THROUGH FAIRNESS, FREEDOM AND OPPORTUNITY

# 2021/22

Delivering excellent services to our residents is our top priority as the City of Tshwane.

This is reflected in the 2021/22 budget that was tabled to Council by Executive Mayor Randall Williams.

Presenting his speech, Williams shed some light on the City's plans which are geared towards stabilising finances and driving service delivery.

Having inherited a massive budget deficit of over R2-billion, the municipality had to prioritise fixing its finances as a core goal for it to be able to deliver quality services to all.

Covid-19 and its effects did not make it any easier for the City, as the hard lockdown led to revenue collection hitting an all-time low due to job losses and income loss.

"However, since coming to office, this administration in a period of six months was able to improve collection rates to the current levels of 90%," explained Williams.

"Although we have made significant progress in this regard, we acknowledge that the current level of 90% is still below

the National Treasury standard of 95%. This means that we must continue to stabilise the city's revenue collection.

"The truth is that even before Covid-19 and its negative impact, the country was already in a technical recession.

"The pandemic worsened an already difficult period in our country with rising unemployment and poverty levels.

"Given the strain on the national fiscus, we can expect to see a decline in the allocation of funds to provincial and local government.

"Municipalities in South Africa are expected to be largely self-reliant on revenue generation to provide basic services.

"Confronted with all these challenges, it is important that we work smart with the limited resources at our disposal.

"This will require us to focus our attention on creating a budget which focuses on core service delivery priorities

which are informed by the needs of our communities.

"The culture of non-payment of accounts remains a challenge.

"During March and October 2020, we did not receive payment from 28% of billed monthly municipal accounts and this makes up 72% of the debt owed to the City.

"This led to the debtor book being increased significantly from R12.6-billion as of 30 March 2020 to R17.1-billion as of 30 October 2020, this can be attributed to the drop in payment levels," Williams added.

"As a City we need to take responsibility to collectively encourage customers to pay for the services they use."

The City has allocated an operating budget of R39-billion and a capital budget of R3.7-billion.

These amounts have been spread among various departments and will

contribute to the operational functions of the municipality. "It is also our long-term vision to see Tshwane become a hub of opportunities for our residents.

"Such opportunities will be enabled by growing the city economy and creating jobs to ensure an inclusive society where as many people in the city can share in its economic viability.

"To achieve our long-term goals, the City requires a stable political and administrative leadership that will inspire confidence in the markets and enable small-to-medium and large enterprises to view our city as a competitive place to do business and invest in.

"The City of Tshwane has also made sure that expenditure was critically reviewed and scaled down to ensure a financially viable and funded budget.

"A limited number of critical vacancies were considered to ensure service delivery is maintained," Williams said.

"No overtime will be processed except for essential services.

"We must restore hope to Tshwane residents through quality service delivery guided by a sound budget."

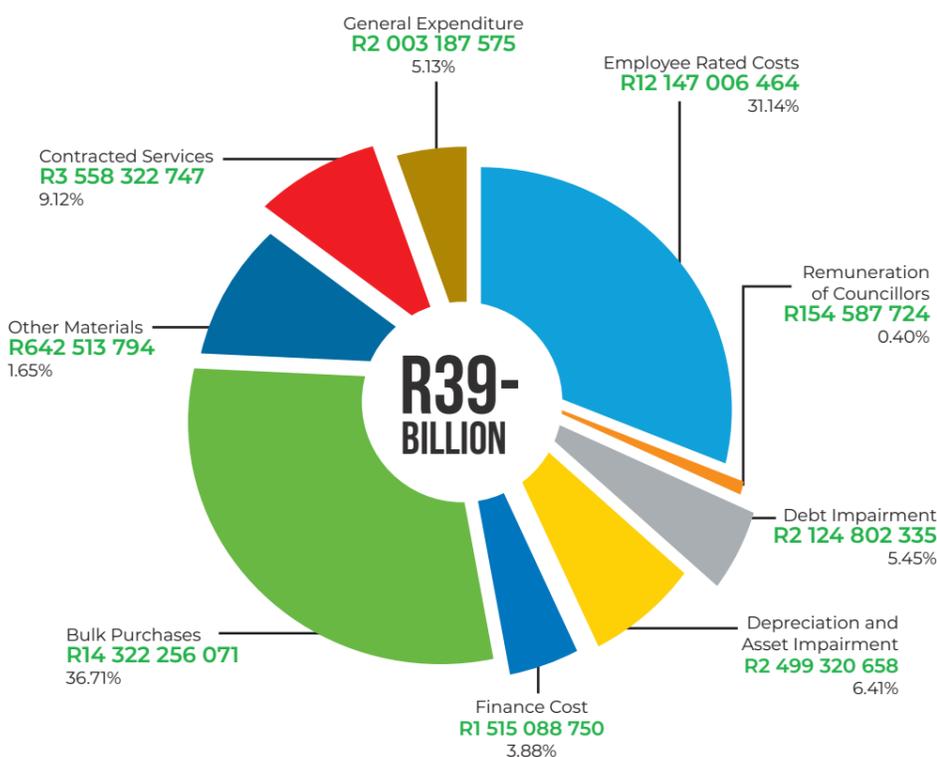
**"WE MUST RESTORE HOPE TO TSHWANE RESIDENTS THROUGH QUALITY SERVICE DELIVERY GUIDED BY A SOUND BUDGET."**

### 10 KEY PRINCIPLES THAT GUIDED THE BUDGET



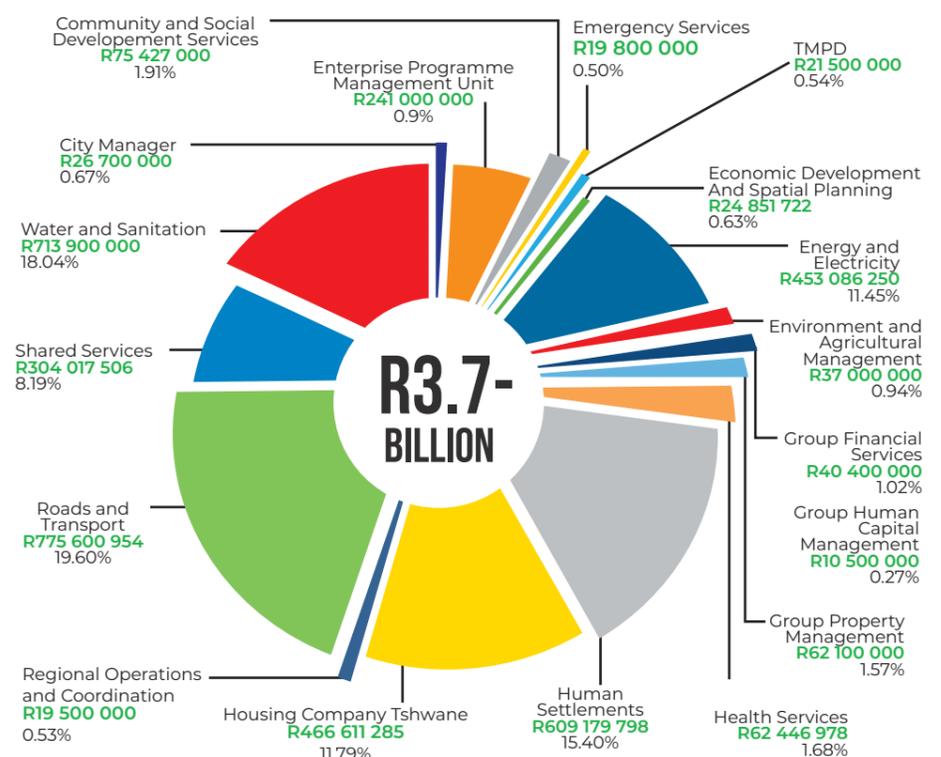
### OPERATIONAL BUDGET

OPERATIONAL EXPENDITURE SPEAKS TO THE DAY-TO-DAY RUNNING OF THE CITY SUCH AS SALARIES, INSURANCE, OVERTIME, RENT, ETC



### CAPITAL BUDGET

THIS INCLUDES MUNICIPAL ASSETS, INFRASTRUCTURE LIKE BUILDINGS, I.T. EQUIPMENT, FLEET, WATER AND TREATMENT PLANTS



# INVESTING IN INFRASTRUCTURE IS AN INVESTMENT

## IN THE FUTURE OF THE CITY OF TSHWANE

One of the biggest aims of our 2021/2022 budget is to invest in Tshwane's future.

This is why we are pushing to spend as much as we can in building and refurbishing infrastructure, which is the backbone of our city.

The budget allocation for our utilities department is one that will accelerate our gains and ensures that Tshwane's future will be secure and prosperous.

"The Utility Services Department (USD) looks after the bulk provision of both electricity, water and sanitation. The power that fuels our homes and economy and the water that sustains our beautiful city," Mayor Williams said.

"The department is key when it comes to building a successful and functioning municipality as it provides residents and businesses with critical infrastructure."

R1,176-billion has been allocated for the USD's budget.

A few of the broad investment areas for both new infrastructure, maintenance and refurbishment include:

- Replacement of worn-out water pipes – R95-million
- Electricity for all – R93-million
- Streetlights – R95-million
- Smart prepaid meters – R45-million

Williams explained that the R95-million that will go into replacing worn-out water pipes will not only prevent bursts, that result in water outages, but will also decrease water leaks. This means less water will be lost, saving the City money and preserving this precious resource.

"Our effort to secure R95-million for streetlights will go a long way to brightening up our city and making a visible difference in the lives and safety of our residents," he said.

The City is also investing in the development of infrastructure:

- Soshanguve substation upgrade – R25-million.
- Ekangala sewer reticulation and toilets – R78-million.
- Kudube sewer reticulation – R60-million.
- Mamelodi water and sanitation services – R48-million.

"Our government is one that cares about all regions of the city. We are serious about committing the budget so that it will make a major improvement to the lives of our residents.

We are directing significant resources to resolving the challenges our city faces in terms of critical water infrastructure."

Williams acknowledges that there is still

### THIS INCLUDES:

- **R124-million:** Rooiwal Waste Water Treatment Works (WWTW) finalization of Phase 1 upgrades
- **R85-million:** Klipgat WWTW upgrade
- **R75-million:** Bronkhorstbaai Water Purification Plant
- **R90-million:** Water Conservation and Demand Management

more work that needs to be done when it comes to water provision and treatment of waste water.

"It is a core priority that we are tackling from multiple angles. It is critical that we maintain this infrastructure and refurbish it properly," he explained.

"Our utilities department is on the front line of providing core service delivery and is

a crucial department in maintaining and developing critical infrastructure.

"There are everyday operational matters that must be prioritised for us to provide quality services.

"This is driven by our Regional Operations Centre (ROC) which is responsible for various activities across the city.

"With an allocation of R900-million, the ROC will be ensuring that we maintain our infrastructure through the below interventions:

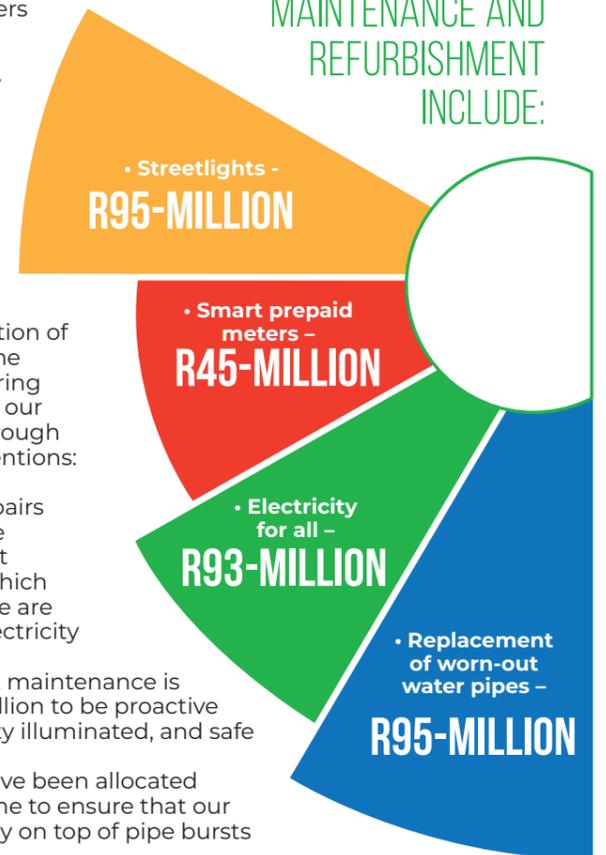
"Electrical grid infrastructure repairs and maintenance are budgeted at R245-million, which is critical when we are responding to electricity outages.

"Our streetlight maintenance is allocated R90-million to be proactive in keeping our city illuminated, and safe for our residents.

"Water leaks have been allocated R72-million alone to ensure that our plumbers can stay on top of pipe bursts as they occur.

"We have also allocated R67-million for sewer maintenance to address blockages and protect the sanitation system.

A FEW OF THE BROAD INVESTMENT AREAS FOR BOTH NEW INFRASTRUCTURE, MAINTENANCE AND REFURBISHMENT INCLUDE:



## A ROADS AND TRANSPORT SYSTEM THAT MEETS THE NEEDS OF ALL THE CITY'S RESIDENTS

The City of Tshwane has the objective of developing an Integrated Transport System that meets the needs of all the people of Tshwane in a sustainable and affordable manner.

"We have also prioritised interventions pertaining to Wonderboom airport.

"Working with Airports Company South Africa we are investing significantly in the development of the airport.

"We are also pushing a micro-upgrades programme for wards across the city which will aim to ensure that we can do mini-projects in wards such as the installation of traffic calming measures such as speed bumps, traffic circles, fencing of facilities, streetlight or traffic light installations."

### Road maintenance

This has been allocated R137-million which includes reactive maintenance to the value of R62-million for potholes and road repairs.

Resurfacing of roads has been allocated R25-million to ensure we keep our roads at an acceptable standard.

"We maintain our commitment to eradicating sinkholes across the city with an amount of R28-million repairing these areas."

### Road construction and storm water infrastructure backlogs

The departments of roads and transport's plans also include the provision of the Integrated Rapid Public Transport Network (IRPTN).

## R HOW THE MONEY WILL BE SPENT

### THIS INCLUDES:

- **R408.7-million:** BRT Transport Infrastructure
- **R10-million:** Automated Fare Collection
- **R20-million:** Storm Water Drainage Mahube Valley
- **R45-million:** Upgrading of road from gravel to tar in Ekangala (Ward 103, 104 & 105)
- **R15-million:** Upgrading of Sibande Street in Mamelodi
- **R20.3-million:** A Re Yeng operations



## ADVANCING PRIMARY HEALTHCARE FACILITIES

### IN THE RAVAGING FACE OF A PANDEMIC

Strengthening primary healthcare facilities serving our communities has become paramount in the face of the ravaging Covid-19 pandemic.

The 2021/22 budget for the health department is set at improving access to primary healthcare services and ensuring that the standard of services remain at a high level.

The operating budget of R541-million will cover the managing costs of the health department and ensure smooth running of clinics and provide efficient municipal health services.

Although the provision of primary healthcare is a Gauteng provincial government responsibility, Tshwane's 24 municipal and two mobile clinics play an important role in providing quality healthcare services to communities.

All of our 24 clinics sustained ideal clinic statuses even through the challenges posed by the Covid outbreak.

Drugs and substance abuse remain a challenge in our society and thus we have maintained our commitment to combating the substance abuse through programmes that seek to assist substance abuse users.

The budget for substance abuse programmes such as the Community Oriented Substance Abuse Programme (COSUP) initiative and the establishment of drop-in centres in all seven regions of Tshwane is R33-million.

Hopeline helpdesk: a 24-hour service that takes calls from community members who need help with or information on substance abuse 0800 467 347 (0800 HOPE GP) also forms part of the budget.

A budget of R24-million will be directed towards HIV/Aids, Tuberculosis (TB) and Sexually Transmitted Infections (STIs) health awareness initiatives as well as strengthening the multi-sectoral response.

A large part of the R62-million departmental capital budget is allocated to the construction of Lusaka Clinic in Mamelodi to increase access to healthcare services for the community. Communities have for some time requested additional clinic facilities in this area due to the area's population growth.

The department is also upgrading management systems at healthcare centres as the old manual filing system to keep records of patients has become increasingly ineffective.

The metro continues to prepare more Covid-19 vaccination sites to reach more people in our communities.

So far, the 14 vaccination sites which have met the health and safety standards of the provincial health department have been kept in good condition to ensure vaccinations runs well.

## AFFORDABLE RATES AND TARIFFS

The City has tried to ensure that rates and tariffs remain low with the Covid-19 outbreak having had a negative impact on the finances of institutions and many residents.

This was a measure to alleviate the burden on the residents' finances while the municipality also faced challenging times with low revenue collection.

The lowest rate increase is the property rates which will increase only by 2%, making it the lowest in the municipality's history.

A leading economist Dawie Roodt recently commented that the municipality tried to keep rates low except the unavoidable 15,63% hike from the national power utility, Eskom.

The municipality had no other choice but have a tariff increase of 14,59% effective 1 July 2021 in the 2021/22 budget.

It is imperative for residents to note that water and electricity tariffs are mainly influenced by the Rand Water and Eskom tariffs respectively. Residents can manage costs by tracking their own consumption of electricity and water.

As the City, we have stepped up efforts to ensure the accuracy of municipal service bills by undertaking monthly actual meter readings. All meters will be read monthly but should any meter be inaccessible or unreadable for whatever reason, the consumption would be taken on estimates using municipal by-laws.

You can also submit your meter readings on 012 358 9999 (press option 2 then option 4), or at [meterrecords@tshwane.gov.za](mailto:meterrecords@tshwane.gov.za). If you register on e-Tshwane your meter readings will reflect in real time. Go to [www.e-tshwane.co.za](http://www.e-tshwane.co.za) and register today.

### TSHWANE TARIFF INCREASES FOR THE 2021/22 FINANCIAL YEAR ARE:

- 14.59% Electricity
- 8% Water
- 10% Sanitation
- 4.1% Refuse removal
- 2% Property rates

## A CITY THAT PROTECTS AND CARES FOR THE ENVIRONMENT

### EXCELLENT SERVICE DELIVERY WHILE PROTECTING THE ENVIRONMENT IS PART OF THE CITY'S VISION

One of the biggest aims of the 2021/2022 budget is to invest in Tshwane's future. To do so, we strive in working towards a clean and healthy environment.

This is a task the Department of Environment and Agriculture Management is entrusted with by intensifying the fight against illegal dumping, further expanding waste collection services and continuing upgrading resorts and reserves.

As the tourism sector was one of the sectors hit hard by Covid-19, the department aims at attracting more visitors at our resorts and reserves for economic growth.

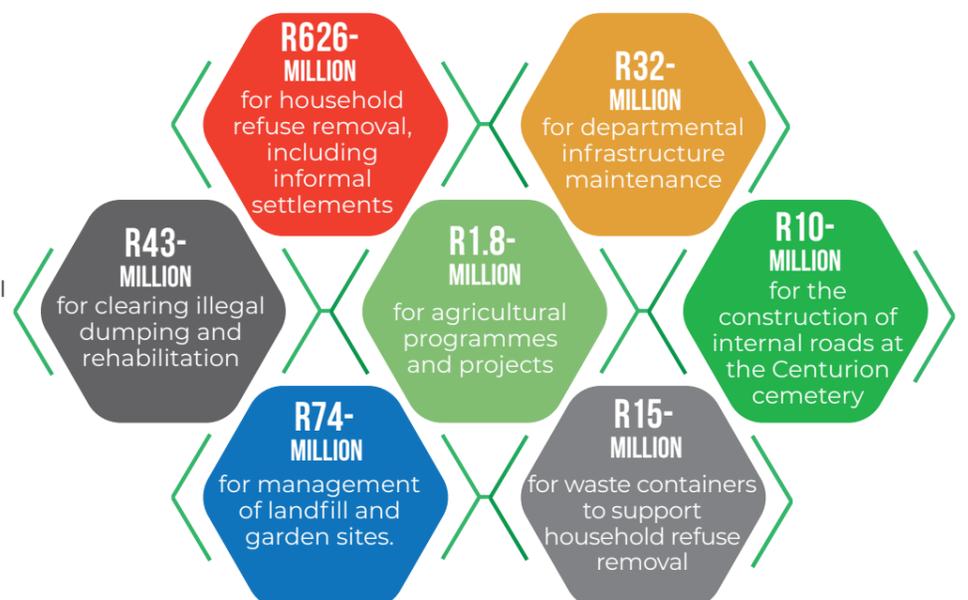
The metro is committed to safeguarding the environment and protecting our natural resources in the

municipality.

"We will continue to prioritise the cleanliness of the metro and advance quality service delivery.

Keeping our city looking neat is crucial to inspire confidence and pride in the municipality. As such horticultural services, grass cutting and pruning is allocated approximately R76-million to cut grass at city parks, sidewalks, pavements and open public spaces so that the city looks beautiful and manicured.

A further R48-million will be focused on particular facilities such as cemeteries, libraries, swimming pools and sporting facilities so that they are maintained at an acceptable standard for our residents.



# HUMAN SETTLEMENT DEVELOPMENT ONE OF THE TOP PRIORITIES

THE PROVISION OF ADEQUATE HOUSING IS A BASIC HUMAN RIGHT OF EVERY CITIZEN, AND THE CITY OF TSHWANE BEING ONE OF THE ECONOMIC HUBS, CARRIES THE RESPONSIBILITY OF DEVELOPING ADEQUATE HOUSING FOR THOUSANDS OF PEOPLE

It is to this end that in our budget we have invested R840-million for the prioritisation of housing development in the Human Settlements Department.

This will be directed towards delivering essential services at informal settlements, upgrading of informal settlements and the establishment of new settlements.

This will be a mammoth task as the city has a total of 227 informal

settlements spread across its seven regions, with an estimated 345 710 households living in informal settlements.

The City aims to formalise 19 informal settlements within this financial year, while providing over 138 informal settlements with temporary basic services. The municipality will also focus on the upgrading of bulk infrastructure services in informal settlements and new settlements.

This will see areas like Nellmapius ext. 22, Mabopane ext. 12, Mamelodi ext. 6, Olievenhoutbosch ext. 60, Ga-Rankuwa ext. 10 and other areas provided with water and sanitation services.

Bringing services to the communities, we will utilise R5-million of the allocated operational budget to open township registers for registration of title deeds in areas such as: New Eersterust ext. 4 and ext. 6; Mabopane V and Atteridgeville ext. 6 and ext. 7.

The department also intends to cut down the old title deeds backlog by 1 000. The municipality aims at providing safe places of shelter and affordable housing. In partnership with the Housing Company Tshwane (HCT), an amount of R308-million has been set aside to deliver a total of 509 social housing units at the

Marabastad Townlands Village (phase 2 construction) and associated infrastructure development (Timberlands, located in Arcadia) in the incoming financial year.

This project will enable low-income earners the opportunity to afford homes closer to economic hubs.

A total of 377 units, which are council rental stock, will also be transferred to HCT as part of the social housing rental portfolio, which will be optimised and managed by HCT.

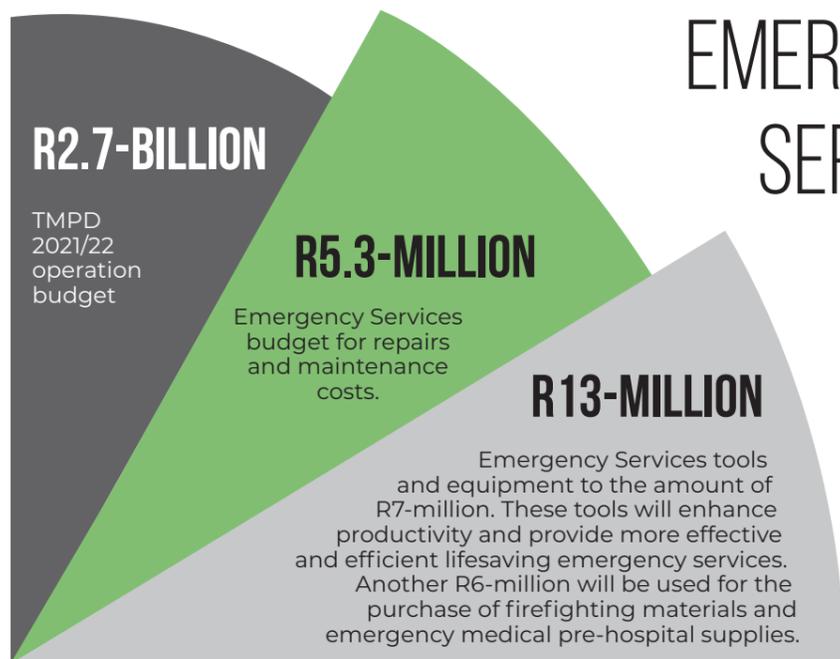
Tshwane mayor Randall Williams has vowed to ensure the municipality constructs and builds sustainable human settlements to provide quality housing in the city.

"The prioritisation of the upgrading of informal settlements is also crucial so that we can provide quality bulk infrastructure to the areas."

**THE CAPITAL BUDGET OF THE DEPARTMENT WILL BE DIRECTED TOWARDS THE FOLLOWING:**

- R187-MIL** Water reticulation
- R186.4-MIL** Sewer reticulation
- R263.8-MIL** Roads and storm water construction
- R30-MIL** Hostel redevelopment
- R10-MIL** Land acquisition

## SAFETY AND EMERGENCY SERVICES



Safety remains a crucial part of a stable community, one where residents can live freely and for businesses to strive in for better economic growth.

To do this requires that we capacitate the Emergency Services Department and Tshwane Metro Police Department to respond appropriately when tragedy strikes in the region.

The Emergency Service Department's 2021/22 capital budget stands at R13-million while the operating budget is at R898-million. This budget allows EMS to respond to the community needs in an effective manner.

The department has also made strides in development with building more EMS stations to be closer to communities. One of our highlights is the new Mamelodi Emergency Services Station which will be fully operational by July 2021. This will enable swift response to fire incidents which remains paramount to saving lives as fires causes damage to livelihoods and result in tragic deaths.

The department having a special infection unit ambulance equipped with technology to safely transport patients with infectious conditions boosted our response to Covid-19.

One of the key ambulances, the special unit ambulance equipped with an isolation chamber was the first of its kind in South Africa, strengthened the response to the pandemic.

The Tshwane Metro Police Department stands at the forefront at ensuring our residents' safety through traffic policing and crime prevention.

The 2021/22 budget provides for an operating budget allocation of R2.7 billion for TMPD.

To strengthen crimefighting efforts we remain committed to launching the first dedicated Inner City Policing unit.

The work has already began, we have secured a site for a satellite Tshwane Metro Police Department station, which will be based in the inner city and be supported by 100 TMPD officers.