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City of Johannesburg Council 2023-06-13/14

COJ : MAYORAL COMMITTEE 2023-06-08

GROUP FINANCE

3B THE 2023/24 – 2025/26 MEDIUM-TERM CAPITAL BUDGET

1 STRATEGIC THRUST

Well Governed and Managed City.

2 OBJECTIVE

The medium-term capital budget for the 2023/24 to 2025/26 financial years is submitted to Council for consideration in terms of section 16 (1) of the Municipal Finance Management Act 56 of 2003 (MFMA, the Act).

3 SUMMARY

3.1 BUDGET PROCESS OVERVIEW

In terms of the Section 16 (2) of MFMA, the Mayor must table a draft annual budget at a Council meeting 90 days before the start of the budget year.

In terms of Section 87 (1) of the MFMA, Municipal Entities are required to submit their draft budgets to the parent municipality not later than 150 days before the start of the entity's financial year.

The budget process for 2023/24 commenced after a set of political priorities were confirmed that informs the planning and budgeting process within the City of Johannesburg. On 9 March 2023, budget indicatives that are in line with the City's Financial Development Plan (FDP) were issued. The various departments and municipal entities (MEs) were requested to prepare budget proposals and these budget proposals of specific departments and entities were then presented to the Budget Steering Committee held on 13-14 March 2023. Departments and entities were requested to allocate resources towards the City's political priorities with the focus on service delivery initiatives.

The Minister of Finance's budget speech was held on 22 February 2023 and the budget does take in to account the latest national and provincial allocations as reflected in the Gazettes.

Consultation Process:

The draft medium-term budget for 2023/24 – 2025/26 was tabled at Council on 23 March 2023 for consultation both externally and internally. After 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.

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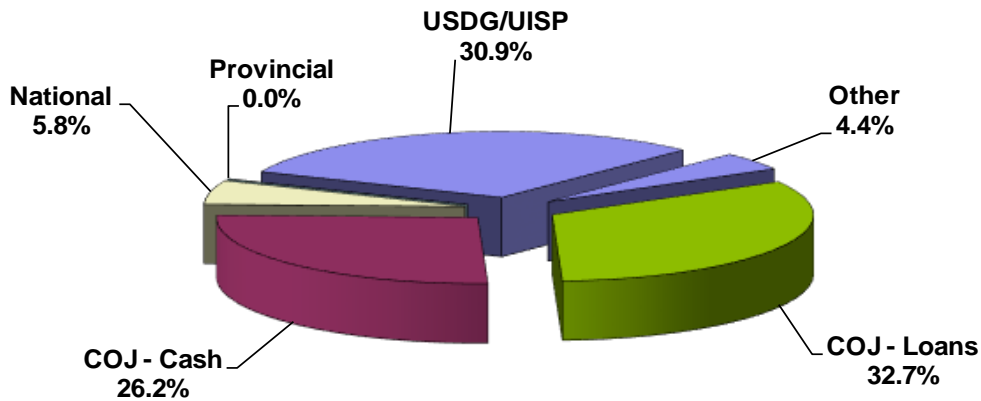
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3.2 MEDIUM TERM CAPITAL BUDGET

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 R24.4 billion over the next three-year period. The capital budget for the 2023/24 financial year amounts to approximately R7.6 billion. Approximately R4.5 billion of the capital budget will be funded by the City and R3.1 billion from grants and public contributions.

Funding Sources for 2023/24



- R2.5 billion of capital will be funded from loans;
- R2 billion of capital will be funded through cash surpluses;
- R446.2 million will be funded from grants received from National (PTIS – R424.2 million and NDPG – R22 million);
- R1.6 billion will be funded through the Urban Settlement Development Grant (USDG);
- R715.1 will be funded through the Upgrading of Informal Settlements Program (UISP); and
- R338.4 million will be funded from other sources (public and bulk service contributions).

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The table below reflects the medium-term capital budget over the next three years.

Funding source	Adj Bud 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000	Budget 2025/26 R 000
Loan funding	1 830 000	2 500 000	2 500 000	2 530 000
CRR and surplus cash	1 791 032	2 000 000	2 250 000	2 500 000
Grants and contributions	2 848 896	3 142 206	3 349 386	3 622 054
Total	6 469 928	7 642 206	8 099 386	8 652 054

Annexure A attached reflects the medium-term capital budget per vote.
Annexure B attached reflects the detail capital projects for the 2023/24 to 2025/26 financial years.

The 2023/24 Capital Budget is as follows:

SUSTAINABLE CLUSTER

Sustainable Cluster Capital	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000	Budget 2025/26 R 000
Environment And Infrastructure	18 980	20 000	15 000	22 050
Human Settlements	1 276 846	1 455 812	1 879 261	2 195 254
City Power	1 217 736	1 207 285	1 298 418	1 791 872
Johannesburg Water	838 308	1 063 794	1 092 000	973 430
Pikitup	97 387	99 650	250 500	331 000
Johannesburg Social Housing Company	399 008	492 321	436 511	316 233
Total Capital	3 848 265	4 338 862	4 971 690	5 629 839

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R14.9 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2023/24 financial year.

- Environment and Infrastructure is allocated R20 million for capital. Allocation to the various projects include:
 - Operational Capital: Office Furniture and Equipment R2.5 million;
 - Air Quality Analyzers: Asset Management R5 million;
 - Braamfonteinspruit Upper Catchment (Alberts Farm and Botanical Gardens Upper Dams) R5 million; and
 - Waste Management: Waste Sorting Facilities R7.5 million.

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- Human Settlement is allocated a capital budget of R1.5 billion in the 2023/24 financial year. The budget is allocated to the following projects:
 - Tshepisoong Proper R20 million;
 - Operational capital (HS) New Operational Capex Braamfontein Werf F City Wide R3 million;
 - Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats Johannesburg F Regional R16 million;
 - Braamfischerville Ext 12 and 13: C Ward R15 million;
 - Lufhereng Mixed Development (Bulk, Link and Internal Infrastructure Roads, Storm Water Management Systems, Sewer and Water for 24 000 houses) R385 million;
 - South Hills Housing Mixed Development R40 million;
 - Fleurhof Mixed Development R45 million;
 - Dube Hostel Renewal Building Alterations Dube Ext.2 D Ward R10 million;
 - Goudrand Rental Development R40 million;
 - Elias Motsoaledi Ext1 Township Development (Region D - Ward 24) R55 million;
 - Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) Klipspruit D Ward R45 million;
 - Kanana Park Ext 1 R15 million;
 - Finetown Proper -Region G R10 million;
 - Kanana Park Ext 3,4 and 5 R15 million;
 - Drieziek Ext.3 R20 million;
 - Drieziek Ext.5 R20 million;
 - Ennerdale South R20 million;
 - Cosmo City Phase 2 (Malibongwe Ridge) R22.7 million;
 - Riverside View Ext 28 (Diepsloot Ext 12) R30 million;
 - Land Acquisition for Housing Developments City Wide R150 million;
 - Bramfischerville Ext 7 and 8 R20 million;
 - Drieziek Ext.4 R20 million;
 - Kanana Park Ext 2 R15 million;
 - Madala Hostel Redevelopment R19 million;
 - Stock, Flats and Old-Age Home Upgrading R30 million;
 - Southern Farms Mega Mixed Development R10 million; and
 - Formalisation of informal settlements (UISP) R365 million.

- City Power is allocated R1.2 billion million for capital. Allocation to the various projects include:
 - Installation of new service connections in Alexandra Ext.63 R6 million;
 - New service connections in Berea R5 million;
 - RTU installations New SCADA City Wide R11.3 million;
 - Installation of new service connections in Halfway House R6 million;
 - New service connections in Ferndale Ext.25 R5 million;

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- New service connections in Roodepoort Ext.2 R5 million;
- New service connections in Reuven R5 million;
- New service connections in Hurst Hill R5 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R5 million;
- Integrated security, fire detection and suppression systems for major substations. Including fibre optic links (+ - 50 % of budget). New Security Equipment City Wide R3 million;
- Refurbishment of LV Infrastructure Renewal Low Voltage in Reuven R5 million;
- Refurbishment of MV infrastructure, switchgear and transformers Renewal Medium Voltage Network in Reuven R5 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in Reuven R5 million;
- Establish new 88/11 kV substation at Ruimsig. New Bulk Infrastructure R20 million;
- Acquire servitudes and substation sites New Transmission Line in Reuven R6 million;
- Allandale Substation: Upgrade 2x10 MVA transformers to 40 MVA Renewal Bulk Infrastructure in Commercia Ext.11 R15 million;
- Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R30 million;
- Replace open LV conductors with ABC Renewal Low Voltage City Wide R5 million;
- Emergency Work Renewal Medium Voltage Network in Reuven R30 million;
- Normalisation Renewal Medium Voltage Network in Alexandra Ext.42 R10 million;
- Installation of pre-paid meters and protective structures Renewal Metering Equipment in Lenasia Ext.13 R90 million;
- Operational Capex in Reuven R20 million;
- Replace batteries in substations Renewal Bulk Infrastructure City Wide R15 million;
- Install new IED's in substations Renewal Protection City Wide R20 million;
- Lutz: Establish new 88/11 kV cabling New Bulk Infrastructure Honeydew Manor Ext.11 R45 million;
- Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R10 million;
- Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R10 million;
- Emergency work on the transmission network in Reuven R35 million;
- Revenue Generation Efficiency Project. Pre-paid system installation of semi-automated pre-paid and automated pre-paid (smart meters) City Wide R35 million;

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- Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R35 million;
 - Replace obsolete energy meters with prepaid units City Wide R20 million;
 - Extend Mondeor substation and construct new 88 kV switching station. New Bulk Infrastructure in Mondeor R15 million;
 - Install statistical meters on all distributors City Wide R25 million;
 - IT Network Upgrade Renewal Computer Hardware City Wide R75 million;
 - Construct 88 kV switchyard adjacent to Pennyville substation. New Bulk Infrastructure in Pennyville R15 million;
 - Upgrade Eldorado Substation Renewal Bulk Infrastructure R5 million;
 - Upgrade MV Networks in CBD. Renewal Medium Voltage Network R5 million;
 - Electrification of various Informal Settlements - City Wide R200 million;
 - Rooftop PVC R50 million;
 - Bank City SWs: Satellite R70 million;
 - Brynorth: Substation R15 million;
 - Installation of new public lighting: Street lights (City Wide) R25 million;
 - Installation of new public lighting: Group luminaire replacement R15 million;
 - Dainfern Substation Upgrade R15 million;
 - Mobile sub-station R25 million;
 - Refurbish Vasco Switching station R15 million;
 - Upgrade Eikenhof Substation R10 million; and
 - Energy Efficient Programme R105 million.
- Johannesburg Water is allocated R1.1 million for capital. Allocation to the various projects include:

Water is allocated R801.3 million and projects include:

- Water Demand Management: New Operate and Maintenance Assets (Orange Farm and Soweto) R180 million;
- New Basic Water and Sewer Services R40 million;
- Operational Capital: Planning and engineering studies R17 million;
- Operational Capital: Operations and Maintenance R93 million;
- Operational Capital: Corporate Requirements of Johannesburg Water R86.8 million;
- Sandton/Alexandra: Planned Replacement Watermains R10 million;
- Roodepoort/Diepsloot: Planned Replacement Watermains R5 million;
- Johannesburg Central: Planned Replacement Watermains R10 million;
- Northern Works: Belt Presses New #4 R15 million;
- Sandton/Alexandra: Linbro Park Water Upgrade R1 million;
- Olifantsvlei Works: Digester Heating and Mixing R2 million;
- Soweto: Planned Replacement of the Watermains R15 million;

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- Operational Capital: Provision for Emergency Work R15 million;
 - Midrand: Blue Hills Tower 1.8ML R2.5 million;
 - Midrand: Carlswald New Reservoir R5 million;
 - Sandton/ Alexandra: Woodmead Reservoir 22ML R45 million;
 - Bushkoppies Works: Infrastructure Renewal Plan R2.5 million;
 - Driefontein Works: Infrastructure Renewal Plan R10 million;
 - Midrand: Planned Replacement: Watermains Renewal R10 million;
 - Soweto: Protea Glen Sewer Upgrade R10 million;
 - Johannesburg Central: Turffontein Redevelopment Corridor Renewal Watermains R1 million;
 - Roodepoort/Diepsloot: Robertville Tower 2.25ML R1 million;
 - Midrand: Erand Tower 2 1.5ML R35 million;
 - Midrand: Halfway House Reservoir 20ML R10 million;
 - Midrand: Planned Replacement Sewermain R2 million;
 - Halfway House Water Upgrade R5 million;
 - OV: Infrastructure Renewal Plan R2 million;
 - Johannesburg Central: Brixton Reservoir 2.26ML R120 million;
 - DF: Infrastructure Renewal Plan 2. R1 million;
 - Peri-urban 781mm diameter Bulk Main R2 million;
 - Bryanston Tower 1.5 ML R1 million;
 - Orange Farm/Deep South: Lenasia Reservoir 675mm diameter Bulk R3.5 million;
 - Linbro Park Towner 1.5ML R2.5 million;
 - Bushkoppies Works: Cleaning and Lining of Emergency Dam R1.5 million;
 - OV: Inlet Screw Pumps Replacement R1 million;
 - Lion Park to Lanseria 600mm diameter Bulk Main R5 million;
 - Crosby Bulk Pipeline R10 million;
 - Crosby Pumpstation R15 million;
 - Turffontein Redevelopment Corridor: Forest Hill Tower R1 million; and
 - Cosmo City Sewer Upgrade R7 million.
- Sewer is allocated R262.5 million and projects include:
 - Northern works: Unit 5 mod 2 R70 million;
 - Goudkoppies Works: Infrastructure Renewal Plan R4.5 million;
 - Northern Works: Infrastructure Renewal R24 million;
 - Orange Farm/ Deep south: Planned Replacement Sewermain R10 million;
 - Sandton/ Alexandra: Planned Replacement Sewermain R5 million;
 - Roodepoort/ Diepsloot: Planned Replacement Sewermain R5 million;
 - Roodepoort/ Diepsloot: Lanseria Outfall Sewer Upgrade R10 million;
 - Soweto: Planned Replacement Sewermain R5 million;
 - Roodepoort/Diepsloot: Diepsloot Sewer Pipelines and Bridge R40 million;
 - Northern Works: Unit 4 liquor treatment R30 million;

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- Bushkoppies Works: Upgrade Main Blowers and Pipework R2 million;
 - Ennerdale Works: Replace module mixers and motors R10 million;
 - Soweto: Anthea Nancefield Sewer (Klipspruit River) Phase 1 R45 million; and
 - EN: Upgrading of Southern Treatment Capacity R2 million.
- Pikitup is allocated R99.7 million for capital. Allocation to the various projects include:
 - Waste bulk containers R500 thousand;
 - Marie Louise Landfill site-improved compliance and alterations R15 million;
 - ICT Hardware and Software R2 million;
 - Facilities renewal, upgrades including branding and signage R1.5 million;
 - Buyback and Sorting Facilities including drop-off Centres R3 million;
 - Robinson Deep Landfill Site: Improved compliance, alterations and cell development R29.5 million;
 - Goudkoppies Landfill Site: Improved compliance and alterations R20.2 million;
 - Kya Sands Landfill Site: Improved compliance and alterations R350 thousand;
 - Linbro Park Landfill Site: Improved compliance and alterations R18 million;
 - Office Equipment R500 thousand;
 - Ennerdale Landfill Site: Improved compliance, alterations and cell development R1 million;
 - Upgrading and Engineering Services at Selby Depot R4.5 million;
 - Construction, Upgrading and Engineering Services of Roodepoort Depot R500 thousand;
 - New Fleet R2.8 million; and
 - Upgrading and Engineering Services at Midrand Depot R300 thousand.
 - JOSHCO is allocated a capital budget of R492.3 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Lufhereng Social Housing Project Region D R91 million;
 - Lombardy East Social Housing Project Region E R2 million;
 - Randburg Selkirk Social Housing Project Region B R31 million;
 - Nancefield Social Housing Project Region D R33 million;
 - Dobsonville Social Housing Project Region D R5 million;
 - Marlboro Social Housing Project Region E R5 million;
 - Princess Plots Social Housing Project Region C R32.5 million;
 - Existing Stock Redevelopment; Upgrade and Major Maintenance Renewal Building Alterations Johannesburg F City Wide R12 million;
 - Nederburg Social Housing Project Region A R12.5 million;

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- Devland Golden Highway Social Housing Project Region D R14 million;
- City Deep Social Housing Project Region F R5 million;
- Casamia Inner City Building Upgrade Region F R21 million;
- Smit Street Inner City Building Conversion Region F R34 million;
- 106 Claim Street Inner City Building Conversion Region F R7 million;
- Abel Road Inner City Building Conversion Region F R25 million;
- Booyens Street Inner City Conversion R27 million;
- 38 Rissik Street (NBS) Inner City Building Conversion R30 million;
- Malvern Building Conversion R2 million;
- Tum-Key 1: Region A R55.3 million;
- Tum-Key 1: Region B R10 million;
- Park Chambers R2 million;
- Kelvin R2 million;
- Frank Brown/ Milpark Social Housing Development R2 million; and
- Turn-Key : Region F (Denver Social Housing) R32 million.

HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Capital	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000	Budget 2025/26 R 000
Community Development	68 337	138 330	47 400	53 000
Health	73 020	132 275	100 135	105 200
Social Development	91 581	97 650	120 774	88 964
Public Safety	96 700	64 000	58 500	23 500
Johannesburg City Parks And Zoo	70 479	64 700	71 500	68 500
Joburg City Theatres	13 168	21 145	25 140	26 296
Total Capital	413 285	518 100	423 449	365 460

The three-year medium-term capital budget of the Human and Social Development Cluster amounts to approximately R1.3 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Human and Social Development Cluster for the 2023/24 financial year.

- Community Development is allocated R138.3 million. Allocations to the various projects include:
 - Museum Africa and Precinct (Three houses, workers museum, Mary Fitzgerald Square) R5 million;
 - ACH Operational Capital R800 thousand;
 - Joburg Library (Centre of Excellence) R10 million;
 - Libraries Operational Capital R800 thousand;
 - Kaalfontein New Community Centre R45.9 million
 - Cosmo City New swimming pool R30 million;
 - Sports and Recreation Operational Capital R800 thousand; and
 - Matholesville New MPC Community Centre R45 million.

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- Health is allocated R132.3 million for capital. Allocation to the various projects include:
 - Protea South Clinic Renewal R30 million;
 - Zandspruit New Clinic (Acquisition of land, layout and design and construction of buildings etc.) R2 million;
 - Hikensile Clinic Renewal R20 million;
 - Operational Capital Spend for Health R10.2 million;
 - Minor Works at various clinics across the City R16.4 million;
 - Naledi New Clinic R22.9 million;
 - Elias Motsoaledi Clinic Renewal R2 million;
 - Southhills Clinic Renewal R3 million;
 - Rabie Ridge Clinic Renewal R2 million;
 - Freedom Park New Clinic R2 million;
 - Airconditioners: Supply, install and renew of air conditioners in Health Facilities across the City R300 thousand;
 - Electricity Upgrades, Solar, Generators UPS's and Back-up Electricity for Health Facilities across the City R6 million;
 - WAN and LAN Upgrade R2 million;
 - Software for E-Health Systems R10 million;
 - Hardware R2 million; and
 - Software for Environmental Health System R1.5 million.

- Social Development is allocated R97.7 million for capital. Allocation to the various projects include:
 - Refurbishment of the Yetta Nethan Community Centre R36.8 million;
 - Shelters for Displaced People R9.9 million;
 - Minor Upgrades of all Social Development Facilities R1 million;
 - Operational Capital R3.2 million;
 - Louis Botha: Co - Production zone for social interventions Renewal Corridors of Freedom Intervention R1.6 million; and
 - Betrams New Multi-Purpose Center R45.2 million.

- Public Safety Department is allocated a capital budget of R64 million in the 2023/24 financial year. The budget is allocated to the following departments.
- Public Safety: Head Office
 - Construction of a business desk at Midrand (One Stop shop for corporate clients) R5 million.

- Public Safety: EMS
 - Standby generators for current fire stations and replacement New Plant and Equipment Martindale C City Wide R3 million;

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- Building of EMS training academy for the City of Johannesburg New Building Lehae EXT.1 G City Wide R3 million; and
- Procurement of new furniture for all Fire Stations R4 million.

- Public Safety: JMPD
 - Supply Firearms to the JMPD new recruits Renewal Plant and Equipment City and Suburban Ext.6 F City Wide R15 million;
 - Operational Capex: Computers for Regional Commanders New Operational Capex Johannesburg E City Wide R4 million; and
 - Implementation of IIOC phase 2 R30 million.

- Johannesburg City Parks and Zoo is allocated R64.7 million for capital. Allocation to the various projects include:
 - Lenasia Eco Park Development R2 million;
 - Olifantsvlei Cemetery Renewal R10 million;
 - City Parks House - New Furniture R1 million;
 - Lehae 1 Park Development R2 million;
 - City Parks House - IT Equipment R4 million;
 - Plant and Equipment R3 million;
 - Road Islands and Town Entrances Greening and Beautification New Park City Wide R3 million;
 - COJ Park Upgrades- Various Regions and Wards R4 million;
 - JHB Botanical Gardens Infrastructure Upgrade R2 million;
 - Kliprivier Nature Reserve Upgrade Renewal R2 million;
 - Zoo - Animal Purchases New Operational Capex R2 million;
 - Zoo Infrastructure Renewal Building Alterations R10 million;
 - Innerscity Parks Intervention Development and Upgrading R3 million;
 - Cemetery Upgrades- Phase 1 R7 million;
 - Golden Harvest Park Upgrade R3 million;
 - Lufhereng New Park Development R2 million;
 - Florida Park Upgrade R1.5 million; and
 - Braamfischer Parks R3.2 million.

- Joburg City Theatre is allocated R21.2 million. Allocations to the various projects include:
 - Promusica Theatre - Upgrading of technical equipment (sound and lighting) R600 thousand;
 - Joburg Theatre - Building Renovations and upgrades R3 million;
 - Joburg Theatre - Upgrade of stage machinery Renewal Plant and Equipment R12.3 million;
 - Soweto Theatre - Upgrading of Technical Equipment R1.1 million;
 - Soweto Theatre - Building Renovations and upgrades R1.4 million
 - Promusica Theatre - Building renovations and upgrades R478 thousand;

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- Promusica Theatre - Information Technology New Computer Hardware and Software R1.1 million; and
- Joburg Theatre - Technical Equipment R1.1 million.

ECONOMIC GROWTH CLUSTER

Economic Growth Cluster Capital	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000	Budget 2025/26 R 000
Economic Development	5 730	6 000	3 000	2 500
Transport	306 106	535 772	627 825	458 388
Development Planning	6 731	120 694	77 700	103 933
Joburg Market	95 474	150 328	98 260	107 023
Metropolitan Trading Company	10 500	11 025	10 000	
Johannesburg Property Company	38 658	49 658	110 808	93 500
Johannesburg Development Agency	471 885	374 506	386 000	504 008
Johannesburg Roads Agency	795 214	859 650	809 250	803 876
Metrobus	37 000	196 146	85 000	73 000
Joburg Tourism	3 900	5 088	3 580	3 000
Total Capital	1 771 198	2 308 867	2 211 423	2 149 228

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R6.7 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2023/24 financial year.

- Economic Development is allocated a capital budget of R6 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Operational Capital R1million; and
 - Informal Trade Permit System, Data Intelligence Dashboard Service, and query resolution and ticketing R5 million.
- The Transport department is allocated a capital budget of R535.8 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Large: Public Transport Facility Redevelopment of Kazerne, Newtown Ext Region F R3 million;
 - PTF: Small Public Transport Facilities: Tshepisong R3 million;
 - PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G) R14 million;
 - COMPL: Sidewalk Improvements: Tshiawelo Metrorail Station Link: Mhlaba / C Hani New Nodal Transport Facilities Chiawelo D City Wide R10 million;

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- PTF Small Public Transport Facility Design and Construction of Zola Public Transport Facility New Nodal Transport Facilities ZOLA D Regional R1 million;
 - Small: Public Transport Facility in Zakariya Park Region G R5 million;
 - Complete Streets: (KFW - German Development Bank): Orlando East to UJ Soweto Route R5 million;
 - PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities Kya Sand R2 million;
 - 22783_00_Operational Capital R1 million;
 - PTF: Upgrading of Sunninghill Public Transport Facilities R1.1 million;
 - PTF: Upgrading of Rosebank Public Transport Facility R13 million;
 - Complete Streets: Turfontein R3 million;
 - Complete Streets: Deep South R5 million;
 - 2804_14_Signage, Demarcation blocks and Corridor Road Markings R25 million;
 - 2804_16_Rea Vaya BRT Phase 1C New Stations R94.2 million;
 - 2804_18_Selby Bus Depot (Phase 2C – Administration Building) R45 million;
 - 2804_15_Rea Vaya BRT Land Acquisition R15 million;
 - 2804_20_Rea Vaya BRT Phase 1 A and B Station Rehabilitation R40 million;
 - PTF:Small Public Transport Facility Design and Construction of Lakeside New Nodal Transport Facilities (Stops) R3 million;
 - Roodepoort Public Transport Facility R1 million;
 - PTF: Public Transport Stops in Cosmo City R3 million;
 - Complete Streets: NMT links to Railway Stations: Phefeni Station R3 million;
 - Complete Streets: NMT links to public transport facilities in Tshepiso R3 million;
 - Complete Streets: NMT links to public transport facilities in Orange Farm R2 million;
 - Rea Vaya Auto Fare Collection System (AFCS) R120 million;
 - Carr Street Public Transport Facility R18.1 million;
 - Jack Mincer Public Transport Facility R2.5 million;
 - Fleet Africa Public Transport Facility R3 million;
 - Metro Mall Public Transport facility R3 million;
 - BRT phase 1C Roadways R55 million; and
 - Depo Rehabilitation Phase 1A R30 million.
 - Helen Joseph Public Transport Facility R2 million; and
 - Upgrading of JITI control room R2 million.
- Development Planning is allocated R120.7 million. Allocations to the various projects include:
 - Operational Capital R6.7 million;
 - New Turfontein Clinic R38 million;

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- Brixton Social Cluster R30 million;
 - Jabulani Precinct Upgrades R15.5 million;
 - Inner-city Core PEU (Including the Southern Parts) R15 million;
 - Fordsburg PEU R1 million;
 - Mayfair PEU R1 million;
 - Inner City Partnership Fund R10 million;
 - Soweto Strategic Area Framework and Implementation R2 million; and
 - Kliptown Multipurpose Centre R1.5 million.
- Joburg Market is allocated a capital budget of R150.3 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Upgrades to the Main Building (Mandela Market. Cold Rooms ,Offices and Food Courtyard) R18.7 million;
 - Installation of Sprinkler System (Fire suppression system OHSA) R8 million;
 - Upgrading of Banana Ripening and Cold rooms R20 million;
 - Smart market project R1.5 million;
 - Alternative Energy Systems R40 million;
 - Installation of smart meters – revenue protection R12 million;
 - Rocker Bins R2 million;
 - Ring Feed R26 million;
 - Cashless Project R20 million; and
 - Soweto Market R2 million.
 - Metropolitan Trading Company is allocated R11 million for capital.
 - Office upgrade (24 Jan 2022) R1.4 million; and
 - WIFI Management and Commercialisation R9.6 million.
 - Johannesburg Property Company is allocated a capital budget of R49.7 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex Johannesburg F Ward R4 million;
 - Site Development Projects New Land Preparation Johannesburg F City Wide R650 thousand;
 - Erf 43-46 Victoria Ext 3 (Paterson Park Node) Victoria Ext.3 E Regional R2.2 million;
 - Office Space Optimisation Program New Precinct Redevelopment Johannesburg F City Wide R20 million;
 - Marlboro Station Project Land Preparation R350 thousand;
 - Metromall Taxi Rank Shop Revitalisation and Waste Management Area Redesign R9 million;
 - Acquisition of various properties in SOWETO R1 million;

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- Acquisition of Cleaning Equipment R7.5 million; and
- 23776_Walter Sisulu Square Upgrade R5 million.

- Johannesburg Development Agency is allocated R374.5 million. Allocations to the various projects include:
 - Randburg CBD regeneration Renewal Precinct Redevelopment R20 million;
 - Diepsloot Development Renewal Precinct Redevelopment R25 million;
 - Balfour Park Transit Precinct Development (Louis Botha Corridor) R1.5 million;
 - CORR - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA) Stormwater Masterplan and New constriction and Upgrading R20 million;
 - Pennyville Precinct Renewal Precinct Redevelopment R30 million;
 - Operational Capex R2 million
 - Melville Activity Street Neighbourhood Development_CoF_Upgrade R15 million;
 - Roodeport CBD regeneration Renewal R500 thousand;
 - Watt Street Precinct, Wynberg R26 million;
 - Inner City Eastern Gateway TOD and Movement Corridors R31 million;
 - Klipfontein View Wellness centre R22 million;
 - Braamfischer Ext 12 Roads and stormwater (New line item) R10 million;
 - 23775_Ivory Park Urban Renewal Programme R20 million;
 - 23776_Kliptown Urban Renewal Programme R1.5 million;
 - 23705_Orange Farm Urban Renewal Programme R100 million; and
 - Community Based Projects R50 million.

- Johannesburg Roads Agency is allocated a capital budget of R859.7 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - MISCL - Emergency, Critical and Urgent Depot Stormwater Improvements. Existing Stormwater Management Projects Johannesburg City Wide R60 million;
 - MISCL - Tarring of Gravel Roads: Orange Farm and Surrounding Areas. New Roads: Construction and Upgrades Orange Farm G Ward R70 million;
 - CATCH 210 - Klein Jukskei Catchment: (CBP) Stormwater Control: Willows Development - Windsor New Stormwater Catchments Jukskei Park B Ward R1 million;
 - 23775_03_MISCL - Tarring of Gravel Roads: Diepsloot. New Roads: Construction and Upgrades Diepsloot Wesw Ext.3 A Ward R30 million;

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GROUP FINANCE

- REHAB - Road Rehabilitation and Reconstruction Programme. Renewal Roads: Construction and Upgrades Johannesburg City Wide R13.7 million;
- CATCH 210 - Klein Jukskei Catchment: Bond Stream Relief System, Ferndale. New Stormwater Catchments Ferndale B Ward R10 million;
- MISCL - Investigate and Design Future Schemes. New Operational Capex Johannesburg F City Wide R7.5 million;
- MISCL - Integrated Roads and Stormwater Masterplanning. New Stormwater Management Projects Johannesburg F City Wide R15 million;
- 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 R60 million;
- MOB - Intelligent Transport Systems (ITS) Projects. New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R3 million;
- CATCH 10 - Emergency Stormwater Improvement (Multi-year). New Stormwater Catchments Protea Glen D Ward R10 million;
- Operational Capital: CS - Operational Capex. Renewal Operational Capex Johannesburg F City Wide R10 million;
- MOB - Installation of New Warranted Traffic Signals R5 million;
- RNP022_Richards Drive Upgrading Renewal Roads: Construction and Upgrades Halfway House Ext.95 R5 million;
- CS - Capital Equipment. New Plant and Equipment Johannesburg F City Wide R23.5 million;
- RNP005_Spencer Road New Link New Roads: Construction and Upgrades Fleurhof C Regional R5 million;
- RNP085_Bulk stormwater development/Transport hub Sandown E Ward R10 million;
- MOB - SARTSM: Upgrade Traffic Signals intersections City Wide R21 million;
- MOB - Alternative Energy: Alternative Power Sources (LED). New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R2 million;
- MOB - Geometric Improvements. Renewal Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R3 million;
- MOB - Remote Monitoring: Urban Traffic Control (UTC). New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R1.5 million;
- MOB - Alternative Energy: Alternative Power Sources (UPS). New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R5 million;
- MOB - Guardrails. Renewal Roads: Construction and Upgrades Johannesburg F Regional R5 million;

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GROUP FINANCE

- MOB - Upgrading Controllers and Phasing. Renewal Mobility. Intelligent Transport System and Networks Johannesburg F City Wide R4.7 million;
- CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments Vorna Valley Ext.13 A Ward R3 million;
- MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects Johannesburg F City Wide R10 million;
- MOB - Upgrading of Traffic Signal Controllers. CS Operational Capex. Renewal Mobility. Intelligent Transport System and Networks Johannesburg F City Wide R17 million;
- RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg City Wide R86 million;
- BRID 10 - Bridge Expansion Joints. Renewal Bridges (Pedestrian and Vehicles) Johannesburg F City Wide R2 million;
- BRID 11 - Bridges: Visual Condition Assessment and Detailed Bridge Design for Bridge Rehabilitation Projects (Bridge Management System). New Bridges (Pedestrian and Vehicles) Johannesburg F City Wide R10 million;
- BRID 20 - Bridges: Replacement of bridges (Pedestrian and Vehicles) Johannesburg F City Wide - Spring Road Bridge R59 million;
- MOB - Recabling of Traffic Signals. Intelligent Transportation System and Networks Johannesburg F City Wide R24.4 million;
- Operational Capital: CS - Depot Upgrading and Standardization. Renewal Operational Capex Johannesburg F City Wide R20 million;
- CONV - Conversion of Open Drains to underground storm water system/Covered Drains in Orange Farm. Renewal Stormwater Management Projects Orange Farm G Ward R10 million;
- 23776_05_CONV - Conversion of Open Drains to underground storm water system in Bram Fischerville. Renewal Stormwater Management Projects Bram Fischerville C Ward R10 million;
- RAMS - GIS Improvement R3 million;
- RESUR - Resurfacing of M1 Motorway. Renewal Roads: Rehabilitation Melrose E City Wide R10 million;
- RESUR - Resurfacing of M2 Motorway. Renewal Roads: Rehabilitation Johannesburg F City Wide R10 million;
- RESUR - Resurfacing of Soweto Highway. Renewal Roads: Rehabilitation Orlando D City Wide R5.7 million;
- 22776_03_MISCL - Tarring of Gravel Roads: Tshepisoong. New Roads: Construction and Upgrades Tshepisoong C Ward R20 million;
- REHAB - Rehabilitation of Open Channels City Wide. Renewal Stormwater Management Projects Johannesburg F City Wide R10 million;
- MISCL - Tarring of Gravel Roads: Kaalfontein. New Roads: Construction and Upgrades Kaalfontein Ext.2 A Ward R15 million;
- 23775_03_MISCL - Tarring of Gravel Roads: Mayibuye. New Roads: Construction and Upgrades Commercia A Ward R10 million;

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GROUP FINANCE

- Rehabilitation of aged and incapacitated stormwater infrastructure in the City R4 million;
 - MISCL - Tarring of Gravel Roads: City Wide R60 million;
 - CATCH - Flooding intervention and alleviation in Far East Bank – Alexandra R 10 million;
 - CATCH - River rehabilitation and erosion protection measures in Johannesburg City Wide R4 million;
 - 23775_Tarring of gravel roads: wards 77, 133, 80 R10 million;
 - 23775_Stormwater Conversion: wards 78, 79, 133 R10 million;
 - 23775_Upgrade roads Klipfonteinview R25 million ;
 - 23775_Khosa Street- - gravel roads and stormwater R20 million; and
 - MOB - Traffic Management Centre. Renewal Mobility: Intelligent Transportation System and Networks R7.6 million;
- Metrobus is allocated a capital budget of R196.1 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Furniture and Office Equipment R1 million;
 - Purchasing of New Buses R60 million;
 - Plant and Machinery R8.1 million;
 - Engine and Gear box refurbishment R40 million;
 - IT Equipment New Computers and Hardware Computer Hardware R15 million;
 - Building - Building Alterations/Upgrade R2 million;
 - Bus Refurbishment R40 million; and
 - Cashless Ticketing System Bus CCTV on board machine R30 million.
- Johannesburg Tourism Company. The entity is allocated a capital budget of R5.1 million in the 2023/24 financial year. The budget is allocated to the following projects:
 - Tourism ICT R100 thousand;
 - Movable Assets R100 thousand;
 - Establishment of MICE Bidding Centre R2 million;
 - Tourism Website MobiApp and WIFI Connection R2 million; and
 - Mobile VIC'S R888 thousand;

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GROUP FINANCE

GOOD GOVERNANCE CLUSTER

Good Governance Cluster Capital	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000	Budget 2025/26 R 000
Group Forensic Investigation Services	3 560	250	250	250
Office Of The Ombudsman	150	1 000	500	500
City Manager	13 620	28 771	19 543	19 526
Group Information And Communication Technology	375 600	410 000	300 600	333 244
Group Finance	36 000	30 000	18 000	
Group Corporate And Shared Services	5 250	3 356	151 431	151 507
Speaker: Legislative Arm Of Council	3 000	3 000	2 500	2 500
Total Capital	437 180	476 377	492 824	507 527

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R1.5 billion. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2023/24 financial year.

- Group Forensic Investigation Services is allocated R250 thousand for capital. Allocation to project include:
 - Operational Capital R250 thousand.
- Ombudsman is allocated R1 million for capital. Allocation to the project include:
 - Operational Capital: Computers R1 million.
- City Manager is allocated R28.7 million for capital. Allocation to the project includes:
 - Operational Capital R19.8 million;
 - Intergrated audit risk and compliance software R5 million;
 - Data extraction and analytical tool R2.5 million; and
 - Automated timesheets for each employee R1.5 million.
- Group Information and Communication Technology is allocated R410 million. Allocations to the various projects include:
 - Smart City Enablement New Computer Software R70 million;
 - ICT: Infrastructure End User Computer Hardware R10 million;
 - Microsoft Licenses R150 million;
 - Sap software Upgrade/re-implementation to latest SAP version R100 million;

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GROUP FINANCE

- Non-Sap Application (Johannesburg) Modernization and Optimization R20 million; and
- E-Procurement Projects R60 million.
- Group Finance is allocated R30 million for capital. Allocation to the various projects include:
 - Operational Capital-Look and Feel Project R10 million;
 - New Office Equipment and Furniture City Wide R6 million;
 - Capital Enhancement System Renewal Computer Software JOHANNESBURG F City Wide R12 million; and
 - Valuation Roll System R2 million.
- Group Corporate and Shared Services is allocated R3.3 million. Allocations to the various projects include:
 - 3864_02_Procurement of fleet - SHELA: Red fleet (Fire Engines) R2 million;
 - Computers_ 23227 R1.1 million;
 - Furniture_ 23227 R0.1 million; and
 - Office Machines_ 23227 R0.2 million.
- The Speaker: Legislative Arm of the Council is allocated R3 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 R3 million.

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).

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GROUP FINANCE

6 FINANCIAL IMPLICATIONS

Consolidated Capital Budget:

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

2023/24	7 642 206
2024/25	8 099 386
2025/26	8 652 054

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 R7 642 206 000 for the year 2023/24, R8 099 386 000 for the year 2024/25 and R8 652 054 000 for the year 2025/26 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.**

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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. 081 352 9394)

(tc)

THE NEXT ITEM FOLLOWS THE ANNEXURE TO THIS ITEM