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City of Johannesburg Council 2023-06-13/14

COJ : MAYORAL COMMITTEE 2023-06-08

GROUP FINANCE

3A 2023/24 – 2025/26 MEDIUM-TERM OPERATING BUDGET AND RELATED DOCUMENTATION

1 STRATEGIC THRUST

Well Governed and Managed City.

2 OBJECTIVE

The medium-term budget and related documentation for the 2023/24 to 2025/26 financial years are 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 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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3.2 MEDIUM-TERM OPERATING BUDGET

Medium-Term Budget Direction

The 2023/24 medium-term budget will focus on the following key political strategic priorities:

- Good Governance
- Financial Sustainability
- Energy Mix
- Sustainable Service Delivery
- Infrastructure Development and Refurbishment
- Job Opportunity and Creation
- Safer City
- Active and Engaged Citizenry
- Sustained Economic Growth
- Green Economy
- Smart City

Overview of the 2023/24 Medium-Term Budget

The proposed operating revenue budget is approximately R75.4 billion and the operating expenditure budget is totalling R73.3 billion for the 2023/24 financial year. Revenue is increasing by 12.2% and expenditure by 12.4% over the 2022/23 financial year.

The table below set out the medium-term revenue and expenditure budget for the 2023/24 - 2025/26 financial years.

	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	%	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Revenue	67 212 463	75 393 870	12.2%	80 330 770	86 368 924
Internal revenue	8 583 349	10 461 671	21.9%	10 808 076	11 011 077
	75 795 811	85 855 542	13.3%	91 138 847	97 380 002
Expenditure	65 194 103	73 299 518	12.4%	77 142 913	79 708 202
Internal expenditure	8 583 349	10 461 671	21.9%	10 808 076	11 011 077
	73 777 452	83 761 189	13.5%	87 950 989	90 719 280
Surplus (Deficit)	2 018 359	2 094 352		3 187 857	6 660 722
Taxation	81 878	80 168		109 080	526 679
Surplus (Deficit) for the year	1 936 481	2 014 184		3 078 777	6 134 043
Capital grants and contributions	2 848 896	3 208 307		3 418 089	3 695 875
Surplus (Deficit) for the year including capital grants and contributions	4 785 377	5 222 491		6 496 866	9 829 918

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The City is budgeting for a surplus (before taxation and capital grants) of R2.1 billion for 2023/24. The surplus will be applied towards the City's working capital and funding of capital investment.

Revenue Analysis

In 2022/23, the direct revenues were budgeted at R67.2 billion with revenue estimated to be R75.4 billion in 2023/24.

Revenue	Adjusted Budget 2022/23 R million	Budget 2023/24 R million	%	Estimate 2024/25 R million	Estimate 2025/26 R million
Property rates	14 133	16 373	15.8%	17 175	17 982
Service charges - electricity	19 484	23 098	18.5%	24 929	27 525
Service charges - water	8 942	9 605	7.4%	10 239	10 915
Service charges - sanitation	6 526	6 893	5.6%	7 348	7 833
Service charges - refuse	2 387	2 571	7.7%	2 700	2 835
Rental of facilities and equipment	506	536	5.9%	562	588
Interest - external investments	160	174	8.6%	183	192
Interest - outstanding debtors	435	449	3.1%	469	491
Fines, penalties and forfeits	397	952	139.7%	998	1 045
Licences and permits	10	11	10.0%	11	12
Agency services	367	386	5.3%	405	424
Transfers and subsidies received	7 591	8 281	9.1%	8 982	9 950
Other revenue	6 268	6 059	-3.3%	6 324	6 570
Gains	6	6		6	6
Total revenue	67 212	75 394	12.2%	80 331	86 369

The increase of 12.2% in total revenue is made up of the 15.8% increase in property rates, 18.5% in electricity revenue, 7.4% increase in water revenue, 5.6% increase in sanitation revenue, 7.7% increase in refuse, 5.9% increase in rental of facilities, 8.6% increase in interest external investments, 3.1% increase in interest outstanding debtors, 139.7% increase in fines, 10% increase in licences and permits, 5.3% increase in agency services, 9.1% increase in transfers received and 3.3% decrease in other revenue. Gains remain the same at R6 million as in the 2022/23 financial year.

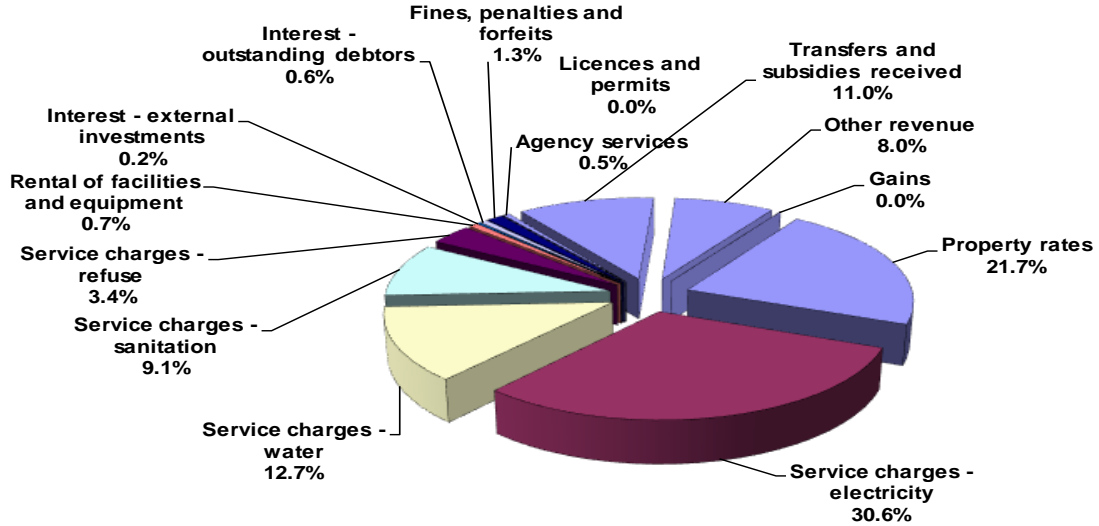
The graph below reflects the percentages per revenue category of the total revenue of the City.

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The 2023/24 revenue budget for property rates, electricity, water, sewerage and refuse amounts to R58.6 billion and it represents approximately 77.6% of the total revenue budget of R75.4 billion.

The table below set out the average tariff increases for 2023/24 - 2025/26 financial years.

Service	Base Year 2022/23	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Property rates	4.85%	2.00%	4.90%	4.70%
Electricity	7.47%	14.97%	12.74%	10.00%
Water	9.75%	9.30%	6.60%	6.60%
Sanitation	9.75%	9.30%	6.60%	6.60%
Refuse	5.00%	7.00%	5.00%	5.00%

The proposed tariff increases in the table above are averages, i.e. some customers may pay more and others less than the average.

Property rates: Projected property rates revenue is estimated at R16.49 billion, approximately 15.8% increase from the 2022/23 financial year. The increase is based on the new valuations of properties, an average property rates tariff increase of 2% and the reduction of the residential threshold rebate from R350 000 to R300 000. The increase includes improvements made to properties, subdivisions, consolidations and new properties.

Service charges - electricity: The projected electricity revenue of R23.1 billion (including new connections and disconnection charges of R143.5 million and R40 million respectively) is a 18.5% increase from the 2022/23 financial year. The increase is based on a proposed average tariff increase for electricity of 14.97%, the strategic drive to reduce total electricity losses to a level of 23% in the 2023/24 financial year

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and the expected R1.1 billion revenue from sales to Eskom. The average bulk purchase price increase from City Power's main suppliers (Eskom, Kelvin, Ekurhuleni and Mogale Municipalities) is assumed at 18.65%.

Service charges - water and sewerage: The projected water and sewerage revenue is estimated at R16.5 billion, approximately 6.7% increase from the 2022/23 financial year. The increase is based on an average tariff increase of 9.3%, based on a proposed Rand Water tariff increase of 9.2% and an additional 0.1% expected population growth.

Service charges - refuse: The projected refuse revenue of R2.6 billion is a 7.7% increase from the 2022/23 financial year. The increase is based on a proposed average tariff increase of 7%. The additional revenue was sourced through the revenue enhancement project where revenue was increased for Domestic RCR.

Rental of facilities are increasing by approximately 5.9% and is mainly due to the increase in rental housing units and the increase in revenues on leases.

Interest earned increased by R27.5 million in line with payment and liquidity levels of the city.

Licenses and permits are increasing by 10% and agency services are increasing by 5.3%.

Income from fines, penalties and forfeits increased with an amount of R554.6 million or 139.7% from the 2022/23 financial year. The increase is mainly due the implementation of the speed law enforcement contract.

Operating grants are increasing by R690.4 million or 9.1% from the 2022/23 financial year. The table below reflects the transfers and subsidies received for 2023/24 - 2025/26 financial years.

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Transfers and subsidies received	Adjusted Budget 2022/23 R million	Budget 2023/24 R million	%	Estimate 2024/25 R million	Estimate 2025/26 R million
Equitable share	6 279	7 053	12.3%	7 840	8 763
Finance Management	1	1	0.0%	1	1
Programme and Project Preparation Support Grant	60	55	-8.9%	57	60
Public Transport Network Grant: Opex	897	803	-10.4%	840	878
NDPG Opex: Public Employment Programme (PEP)	107	113	5.3%		
EPWP	8	14	81.5%		
Energy Efficiency and Demand Side Management Grant					8
Infrastructure Skills Development	6	6	0.0%	6	7
Recap of Comm Libraries Cond Grant	12	13	6.9%	14	17
Libraries Plan	12	10	-16.7%	10	12
Primary Health	160	167	4.5%	167	173
HIV AIDS	29	31	4.1%	31	31
United Nations Environment Programme Opex	16	15	-7.5%	15	
Other	4	1		1	1
Total revenue	7 591	8 282	9.1%	8 982	9 951

Other revenue reflects a decrease of R208.5 million or 3.3% mainly due to the reclassification of unfunded mandate for provision of street lighting and Free Basic Electricity (FBE) and the reduction on sundry revenue within the budget of City Power. The tariffs for minor services will mainly increase in line with estimated inflation of 5.3%.

Expenditure Analysis

The expenditure budget in the current financial amounts to R65.2 billion. 2023/24 presents a budget of R73.3 billion, an increase of 12.4% from the 2022/23 adjusted budget.

Expenditure	Adjusted Budget 2022/23 R million	Budget 2023/24 R million	%	Estimate 2024/25 R million	Estimate 2025/26 R million
Employee related costs	17 429	19 007	9.1%	20 300	21 419
Remuneration of councillors	185	185	-0.3%	193	202
Debt impairment	5 072	7 984	57.4%	8 269	8 506
Depreciation and asset impairment	4 546	4 784	5.2%	5 055	5 283
Finance charges	2 681	2 171	-19.0%	2 190	2 219
Bulk electricity purchases	14 166	16 403	15.8%	17 966	19 019
Inventory consumed	4 888	6 359	30.1%	6 769	7 219
Contracted services	6 904	7 575	9.7%	7 523	7 126
Transfers and subsidies paid	141	139	-1.7%	36	36
Other expenditure	6 342	6 772	6.8%	6 796	6 497
Losses	2 840	1 920	-32%	2 047	2 182
Total expenditure	65 194	73 300	12.4%	77 143	79 708

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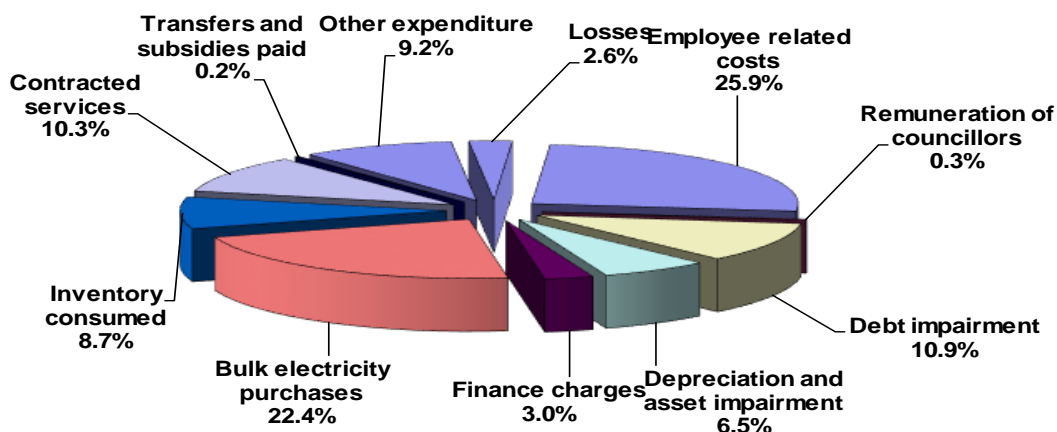
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The increase of 12.4% in expenditure is a result of the increase in employee related cost 9.1%, remuneration of councillors -0.3%, debt impairment 57.4%, depreciation 5.2%, finance charges -19%, bulk electricity purchases 15.8% (Eskom/Kelvin Power Station), inventory consumed 30.1% which includes the water purchases from Rand Water and a mSCOA reclassification of expenditure from water losses to inventory consumed, contracted services 9.7%, grants and subsidies paid decreased by 1.7% and other expenditure increased by 6.8%. Increases in expenditure categories are explained later in the report under each cluster per department or entity.

The graph below reflects the percentages per expenditure category of the total expenditure of the City.



Financial Position

The table below reflects the summary of the proposed financial position.

Financial position	Adjusted Budget 2022/23 R million	Budget 2023/24 R million	Estimate 2024/25 R million	Estimate 2025/26 R million
Total current assets	18 552	20 494	25 902	31 157
Total non current assets	88 812	92 318	94 628	98 480
Total current liabilities	16 819	16 092	18 219	16 890
Total non current liabilities	26 569	27 521	26 616	27 223
Community wealth/equity	63 976	69 198	75 695	85 525

The projected current ratio over the medium term is projected to be approximately equal or above 1:3. Cash reserves are used to fund capital investment, hence no material improvement in the current ratio.

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Cash Flow

The table below reflects the summary of the proposed cash flow.

Cash flow	Adjusted Budget 2022/23 R million	Budget 2023/24 R million	Estimate 2024/25 R million	Estimate 2025/26 R million
Net cash from (used) operating	8 095	10 662	9 021	15 920
Net cash from (used) investing	(5 695)	(7 880)	(7 043)	(8 883)
Net cash from (used) financing	(1 799)	(300)	957	(912)
Cash/cash equivalents at the year begin:	3 849	4 450	6 931	9 865
Cash/cash equivalents at the year end	4 450	6 931	9 865	15 990

The cash of the City is projected to be approximately R6.9 billion at the end of the 2023/24 financial year. Cash reserves are applied towards capital infrastructure spending.

The following Budget Assumptions were made:

CPI is estimated at 5.3% for 2023/24 and 4.9% for 2024/25 and 4.7% for 2025/26 financial years.

Estimated salary increases in line with the existing multi-year collective bargaining agreement:

- 5.4% - 2023/24.
- 4.8% - 2024/25.
- 4.5% - 2025/26.

Loans interest rates are estimated at 13.93% for 2023/24, 13.68% for 2024/25 and 12.57% for 2025/26.

Bulk purchases - City Power has assumed an average tariff increase of 18.65%. The cost of water purchases from Rand Water is expected to increase by average 9.1%. Rand Water purchases are reflected under inventory consumed in terms of mSCOA classifications. Johannesburg Water has reclassified expenditure that was previously reflected under losses to water inventory consumed.

The increase of debt impairment by 57.4% is in line with the projected average collection level of 87% for rates and services.

Finance charges are decreasing by 19% over the 2022/23 financial year.

Contracted services increase by 9.7% and other expenditure is increasing by 6.8%.

Reasons for the increase or decrease are explained later in the report under each department or entity's section.

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Annexure A reflects the operating budget of the City including internal transfers.
Annexure B reflects the operating budget of the Core Administration.
Annexure C reflects the operating budget of the Municipal Entities.
Annexure D reflects the operating budget per vote (per department and municipal entity).

3.3 MEDIUM-TERM EXPENDITURE AND REVENUE PER CLUSTER:

For purposes of this report the expenditure growth percentage of the various departments within the Core Administration is based on direct expenditure (excluding internal transfers) and for the MEs it is based on total expenditure (including taxation) or subsidies received.

SUSTAINABLE CLUSTER

Sustainable Cluster Revenue	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Environment And Infrastructure	19 835	13 715	9 644	17 626
Human Settlements	100 242	107 059	111 983	117 023
City Power	20 027 118	23 451 887	25 479 988	28 103 388
Johannesburg Water	15 671 657	17 297 045	18 433 891	19 645 212
Pikitup	3 486 582	3 952 976	4 024 850	4 027 727
Johannesburg Social Housing Company	305 814	357 214	361 160	361 205
Total Revenue	39 611 248	45 179 895	48 421 516	52 272 181

The Sustainable Cluster's revenue budget increases by 14.1% from the 2022/23 financial year.

Sustainable Cluster Expenditure	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Environment And Infrastructure	132 899	133 654	134 425	138 204
Human Settlements	1 103 264	1 168 896	1 198 155	1 196 282
City Power	20 014 630	23 738 739	25 462 604	27 017 106
Johannesburg Water	13 757 110	15 627 373	16 430 790	17 247 991
Pikitup	3 486 582	3 952 976	4 024 850	4 027 727
Johannesburg Social Housing Company	305 814	357 214	361 160	361 205
Total Expenditure	38 800 299	44 978 851	47 611 984	49 988 515

The Sustainable Cluster's expenditure budget increases by 15.9% from the 2022/23 financial year. Below follow details of the expenditure budget per department and municipal entity within the sustainable cluster:

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Environment and Infrastructure

The revenue budget decreases by 30.9% to R13.7 million mainly as a result of a decrease in concession fees from Kelvin Power Station due to the twenty-year contract coming to an end in November 2022. The expenditure budget increases by 0.6% to R133.7 million mainly due to Kelvin Power Station outstanding debt being written off as per the new contractual agreement. Below is a highlight of programmes that are within the budget:

- Sustainable service delivery:
 - Air Quality;
 - Water and Biodiversity management; and
 - Waste management.

Human Settlements

The direct revenue budget increases by 6.8% to R107.1 million due to increases in rental of facilities and equipment and interest earned on outstanding debtors. The direct expenditure budget increases by 5.9% due to increases in employee related costs in line with parameters, and increases in debt impairment and depreciation and asset impairment. Below is a highlight of programmes that are within the budget:

- Sustainable service delivery;
 - Upgrading of Informal Settlements;
 - Upgrading of flats, hostels, and old age homes;
 - Formalization of informal settlements;
 - Enumeration of new informal settlements;
 - Site and services; and
 - Title deeds.

City Power

The expected deficit after taxation (excluding capital grants and contributions) amounts to R286.9 million. Service charges - electricity: The projected electricity revenue of R23.1 billion (including new connections and disconnection charges of R143.5 million and R40 million respectively) is a 18.5% increase from the 2022/23 financial year. The revenue budget increase by 13.44% compared 2022/23 financial year budget. The increase is based on a proposed average tariff increase for electricity of 14.97%, the strategic drive to reduce total electricity losses to a level of 23% in the 2023/24 financial year and the expected R1.1 billion revenue from sales to Eskom. The average bulk purchase price increase from City Power's main suppliers (Eskom, Kelvin, Ekurhuleni and Mogale Municipalities) is assumed at 18.65%.

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The expenditure budget increases by 18.6% to R23.7 billion due to an increase in debt impairment based on the collection levels of 93.2%; increase in contracted services to cater for repairs and maintenance, consultation fees, meter reading and security costs as well as the 18.65% average tariff increase for bulk purchases from City Power's main suppliers (Eskom, Kelvin, Ekurhuleni and Mogale Municipalities). Below is a highlight of programmes that are within the budget:

- Good governance:
 - Risk Governance and Compliance.
- Financial sustainability:
 - Financial Sustainability.
- Energy mix:
 - Sustainable Energy.
- Sustainable service delivery:
 - Improve Quality of Service.
- Infrastructure development and refurbishment:
 - Improve Quality of Supply.
- Job opportunity and creation:
 - People Development.
- Safer city:
 - Improve Quality of Service.
- Active and engaged citizenry:
 - Improve Quality of Service.
- Smart city:
 - Smart Utility.

Johannesburg Water

The expected surplus (excluding capital grants and contributions) amounts to R1.7 billion. Service charges - water and sewerage: The projected water and sewerage revenue is estimated at R16.5 billion, approximately 6.7% increase from the 2022/23 financial year. The increase is based on an average tariff increase of 9.3%, based on a proposed Rand Water tariff increase of 9.2% and an additional 0.1% expected population growth.

The expenditure budget increases by 13.6% to R15.6 billion mainly due to an increase in debt impairment based on the collection levels of 77.8% and an increase of 9.2% for the water purchase price from Rand Water. Below is a highlight of programmes that are within the budget:

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- Good governance:
 - Corporate Governance.
- Financial sustainability:
 - Financial Performance and Management; and
 - Revised Tariff Structure (discontinue Free 6kl).
- Sustainable service delivery:
 - Water Quality Assurance; and
 - Sewer Quality Service.
- Infrastructure development and refurbishment:
 - Upgrading and Renewal of networks.
- Safer city:
 - Prevention of infrastructure theft and vandalism.
- Active and engaged citizenry:
 - Media Relations and External Communication; and
 - Stakeholder Engagement and Public Participation.
- Smart city:
 - Innovation and Technology programmes.

Pikitup

The revenue budget increases by 13.4% to R4 billion. Service charges - refuse: The projected refuse revenue of R2.6 billion is a 7.7% increase from the 2022/23 financial year. The increase is based on a proposed average tariff increase of 7%. The additional revenue was sourced through the revenue enhancement project where revenue was increased for Domestic RCR.

The expenditure budget increases by 13.4% to R4 billion mainly to cater for an increase in debt impairment based on the collection levels of 75.9%, the increase in locomotion allowance for qualifying staff as well as the Political Facilitated Agreement (PFA); other expenditure increased to cater for interest on mirror conduit loans. The subsidy allocation to Pikitup increases by 27.3% from to R1.3 billion. Below is a highlight of programmes that are within the budget:

- Sustainable service delivery:
 - Waste Management / Environmental Protection - Waste Management.

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Johannesburg Social Housing Company (JOSHCO)

The revenue budget increases by 16.8% to R357.2 million due to increases in rental of facilities and equipment and an increase in other revenue. The expenditure budget increases by 16.82% to R357.2 million in line with the increase in revenue. Below is a highlight of programmes that are within the budget:

- Financial stability:
 - Social housing; and
 - Number of housing units completed.
- Sustainable service delivery;
 - Social Housing;
 - Percentage Employee vacancy rate; and
 - % Collection in respect of current debtors.
- Job opportunity and creation;
 - Number of jobs created for the unemployed through EPWP.
- Sustainable Economic growth;
 - Percentage occupancy rate, % achieved of service level standard.
- Smart city;
 - Number of Digitization initiatives completed.
- Good governance;
 - Percentage compliance to laws and regulations.

HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Revenue	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Community Development	57 073	57 651	60 381	66 999
Health	191 329	199 847	199 949	206 509
Social Development	438	377	395	414
Public Safety	830 941	1 402 729	1 495 572	1 585 574
Johannesburg City Parks And Zoo	1 223 527	1 271 690	1 306 701	1 309 502
Joburg City Theatres	239 807	263 164	274 930	287 444
Total Revenue	2 543 115	3 195 458	3 337 928	3 456 442

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The revenue budget of the Human and Social Development Cluster increases by 25.7% from the 2022/23 financial year. The increase is mainly due the implementation of the speed law enforcement contract.

Human and Social Development Cluster Expenditure	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Community Development	1 269 277	1 365 201	1 369 372	1 384 703
Health	1 410 179	1 505 153	1 574 194	1 634 485
Social Development	323 969	339 497	350 793	356 355
Public Safety	5 713 365	6 120 894	6 353 605	6 515 850
Johannesburg City Parks And Zoo	1 234 527	1 284 690	1 319 701	1 325 002
Joburg City Theatres	239 807	263 164	274 930	287 444
Total Expenditure	10 191 124	10 878 599	11 242 595	11 503 839

The expenditure budget of the Human and Social Development Cluster increases by 6.7% from the 2022/23 financial year. Below follows the budget per department and municipal entity within the human and social development cluster.

Community Development

Community Development's revenue budget increases by 1% to R57.7 million. The expenditure budget increases by 7.6% to R1.4 billion as a result of funding required for the repairs and maintenance of facilities. Below is a highlight of programmes that are within the budget:

- Job opportunity and creation
 - Skills for jobs and apprenticeship programmes for young people to gain skills and experience;
- Sustainable service delivery
 - Arts and Culture Programmes;
 - Heritage Programmes;
 - Museums and Galleries Programmes;
 - Sports and arts facilities that promote activities we enjoy doing as community;
 - Competitive Sport
 - Mass participation and Recreation;
 - Sport Development;
 - Fair access to EPWP opportunities and fair allocation of local contracts through an audited electronic system;

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- Smart City
 - Library Services Access;
 - Service Extension, Reading and Resource Development;
- Financial sustainability
 - Improving and strengthening the City's financial position through prudent financial management practices.

Health

The revenue budget increases by 4.5% to R199.8 million mainly due to an increase in the Provincial Primary Health grant allocation. The expenditure budget increases by 6.7% to R1.5 billion mainly due to an additional allocation of R10 million for the roll-out of sanitary pads programme. Below is a highlight of programmes that are within the budget:

- Good governance:
 - Management Support / E-Health / Clean Audit.
- Financial sustainability:
 - Management Support / E-Health / Clean Audit.
- Sustainable service delivery:
 - Jozi Ihlomile Program;
 - Maternal Health Care/Children Health Care/HIV and AIDS/Communicable Disease;
 - Rollout of Mobile Clinics to increase access to primary health care;
 - TB / HIV and AIDS;
 - The expansion of extended hour libraries and clinics within the City; and
 - Initiate and fund localised female dignity packs.
- Job opportunity and creation:
 - Management Support / E-Health / Clean Audit.
- Safer city:
 - Food security that is both improved and safeguarded / Pest Control / Air Pollution.

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- Smart city:
 - Management Support / E-Health / Clean Audit.

Social Development

The revenue budget decreases by 14% to R377 thousand mainly as a result of Covid 19. Halls are also not being fully utilized and shelters are housing people who are considered displaced. The expenditure budget increases by 4.8% to R339.5 million. Below is a highlight of programmes that are within the budget:

- Job opportunity and creation:
 - Skills for jobs and apprenticeship programmes for young people to gain skills and experience.
- Safer city:
 - Professional Training - Substance Abuse;
 - Substance Abuse Crisis Centre;
 - Substance Abuse Treatment Centre Programmes;
 - Assist the homeless including shelters, skills development, rehabilitation facilities, and work opportunities in collaboration with NGOs;
 - Programs and support offered to undocumented migrants;
 - Consistent support and uplifting of marginalised communities such as women, youth, people with disabilities and LGBTQIA+ through coordinated programmes across all departments;
 - Training and support for early childhood development; and
 - A food security programme in partnership with NGOs and the private sector – small scale farming.
- Active and engaged citizenry:
 - Active and engaged citizenry;
 - Programmes and support services offered to citizens;
 - Programs implemented by qualifying NGOs to the citizens of Johannesburg;
 - Support for vulnerable residents, including fair rebates on services;
 - Policy Reform Initiatives; and
 - Programs implemented by qualifying NGOs to the citizens of Johannesburg.
- Sustained economic growth:
 - Urban Agriculture.

GROUP FINANCE

- Smart city:
 - Policy Reform Initiatives.

Public Safety

The direct revenue budget increased by 68.8% to R1.4 billion due to JMPD anticipated fines revenue with the renewal of the speed law enforcement contracts. The direct expenditure budget increased by 7.1% to R6.1 billion. An allocation of R75 million was made towards security insourcing. The expenditure includes allocations for ammunitions, speed signs and recognition medals and awards for JMPD. Allocations were made to Public Safety Head Office for critical positions, community outreach programs and the disaster management fund. Below is a highlight of programmes that are within the budget:

- Safer city;
 - Reduce lawlessness through improved by-law and traffic enforcement;
 - Security services and guarding of property;
 - Ensure effective medical emergency and fire response;
 - Providing relief for disaster areas;
 - Ensure effective building inspections and compliance;
 - Collection of revenue for vehicle administration; and
 - Ensure employee training and development.
- Smart city;
 - Monitoring the city and municipalities properties with cameras; and
 - City safety strategic research.
- Good governance;
 - Monitoring functions of financial services in line with the MFMA;
 - Communication and youth empowerment;
 - Administration of fleet repairs and maintenance of facilities and records management;
 - Fraud and corruption;
 - Ensure ethics and discipline;
 - Training and development of Municipal Police Officers; and
 - Administration of citations and fines.
- Infrastructure development and refurbishment;
 - Providing repairs and maintenance of the city's properties and capital projects.

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GROUP FINANCE

- Active and engaged citizenry;
 - Ensure community education and empowerment.

Johannesburg City Parks and Zoo

The revenue budget increases by 3.9% to R1.3 million. The expenditure budget increased by 4.1% to R1.3 billion in line with the consumer price index. The subsidy allocation to City Parks and Zoo increases by 16.7% to R1.1 billion due to the conversion of inter-company grass cutting revenue to a subsidy. Below is a highlight of programmes that are within the budget:

- Safer city:
 - Outsourced security; and
 - Park Rangers.
- Job opportunity and creation:
 - Job Creation.
- Sustainable service delivery:
 - Greening programme.
- Active and engaged citizenry:
 - Environmental Education.

Joburg City Theatres

The revenue of Joburg City Theatres increases by 9.7% to R263.2 million as a result of the correction of Arts Alive funding transfer from Community Development that was not included in the Tabled Budget.

The expenditure budget increases by 9.7% to R263.2 million mainly due to increases on inventory consumed to cater increase in cost of sales hiring expenses and other expenditure to cater for Arts Alive programme. The Joburg City Theatres subsidy increases by 2.4% to R183.9 million. Below is a highlight of programmes that are within the budget:

- Sustainable economic growth
 - Improve ease of doing business;
 - Opportunity Centres to support businesses and encourage entrepreneurs; and
 - Promote business and leisure tourism as important job creators.

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GROUP FINANCE

- Active and Engaged Citizenry
 - Sports and arts facilities that promote activities we enjoy doing as a community.
- Financial sustainability
 - Improving and strengthening the City's financial position through prudent financial management practices; and
 - Improved customer satisfaction and quality of life.

ECONOMIC GROWTH CLUSTER

Economic Growth Cluster Revenue	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Economic Development	108 272	122 271		
Transport	1 016 501	1 177 391	1 225 374	1 281 286
Development Planning	94 055	96 579	100 577	89 599
Joburg Market	636 660	674 214	701 938	730 600
Metropolitan Trading Company	548 120	594 260	614 268	629 914
Johannesburg Property Company	866 458	1 063 664	1 100 561	1 122 351
Johannesburg Development Agency	112 313	118 967	123 737	127 553
Johannesburg Roads Agency	1 363 319	1 421 962	1 468 467	1 490 275
Metrobus	631 402	663 258	684 458	694 742
Joburg Tourism	64 663	72 604	75 921	79 028
Total Revenue	5 441 763	6 005 170	6 095 301	6 245 349

The revenue budget of the Economic Growth Cluster increases by 10.4%.

Economic Growth Cluster Expenditure	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Economic Development	247 185	256 035	152 866	159 330
Transport	2 349 722	2 477 306	2 508 287	2 441 890
Development Planning	435 136	457 530	476 717	492 829
Joburg Market	516 843	567 377	600 021	631 038
Metropolitan Trading Company	548 120	594 260	614 268	629 914
Johannesburg Property Company	866 458	1 063 664	1 100 561	1 122 351
Johannesburg Development Agency	112 313	118 967	123 737	127 553
Johannesburg Roads Agency	1 413 748	1 475 063	1 524 170	1 548 596
Metrobus	631 402	663 258	684 458	694 743
Joburg Tourism	64 663	72 604	75 921	79 028
Total Expenditure	7 185 590	7 746 064	7 861 006	7 927 272

The expenditure budget of the Economic Growth Cluster increases by 7.8% from the 2022/23 financial year. Below follows the budget per department and municipal entity within the economic development cluster.

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GROUP FINANCE

Economic Development

The direct revenue budget increases by 12.9% to R122.3 million due to the receipt of the Public Employment Program grant of R112.8 million and the Expanded Public Works Program (EPWP) grant allocation of R13.9 million. The direct expenditure budget increases by 3.6% to R256 million in line with the budget indicatives. Below is a highlight of programmes that are within the budget:

- Good governance;
 - More skills for jobs and apprenticeship programs for young people to gain valuable skills and work experience.
- Job opportunity and creation;
 - Fair access to EPWP opportunities and fair allocation of local contracts through an audited electronic system;
 - Opportunity Centres to support businesses and encourage entrepreneurs;
 - Implementation of Informal trading plan from policy and bylaws;
 - Operationalization of opportunity centres, trainings and SMME development;
 - Johannesburg Business Forum (JBF);
 - Operationalization of Alexandra Automotive Hub; and
 - Public Employment Programmes (PEP).
- Sustained economic growth;
 - More skills for jobs and apprenticeship programmes for young people to gain valuable skills and work experience;
 - Targeted Sector Support In line with Regional Economic Development Plans;
 - Investment Attraction and Facilitation Activities;
 - Data Subscriptions: BER, Econometrix, IHS, FDi Markets, Who owns WHOM; and
 - Knowledge Community precinct (Braamfontein/ Auckland Park).

Transport Department

The direct revenue budget increases by 15.8% to R1.2 billion due to anticipated revenue from the operationalization of Rea Vaya Phase 1C and the Johannesburg International Terminal Interchange. The direct expenditure budget increases by 5.4% to R2.5 billion in line with the budget parameters. Below is a highlight of programmes that are within the budget:

3A.21

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GROUP FINANCE

- Good governance;
 - Financially sustainable and resilient city.
- Sustainable service delivery;
 - Sustainable human settlements; and
 - Improved eco-mobility.
- Safer city;
 - A safe and secure city.
- Active and engaged citizenry;
 - A responsive, accountable, efficient and productive metropolitan government.
- Smart city;
 - A 'Smart' City of Johannesburg, that is able to deliver quality services to citizens in an efficient and reliable manner.

Development Planning

Development Planning's revenue budget increases by 2.7% to R96.6 million. The expenditure budget increases by 5.1% to R457.5 million mainly due to an increase on employee related costs to capacitate the Law Enforcement Units. Below is a highlight of programmes that are within the budget:

- Safer City
 - Regular inspections to crack down on illegal building and land use.
- Financial sustainability
 - Global environment fund.
- Sustainable service delivery
 - Approval of building plans within statutory timeframes;
 - Approval of outdoor advertising applications within 90 days;
 - Approval of rezoning, township and site development plan applications within turnaround times;
 - Development of bulk contributions policy;
 - Development of outdoor advertising by-law; and
 - Modernization of built environment automation system.

3A.22

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GROUP FINANCE

- Smart City
 - Intelligent predictive modelling and data for smart decision making, policy, good infrastructure and economic growth; and
 - Maintenance of Corporate Geo-informatics spatial information.
- Infrastructure development and maintenance
 - Qualified, capable and customer-oriented city officials; and
 - Plug revenue leakages and increase proactive maintenance of infrastructure.
- Good Governance
 - Increase in the delivery of housing; speed up issuing of title deeds; support expansion of sites and services program;
 - Development plans that make your neighbourhood far more liveable, enjoyable, and accessible;
 - Development of Inner-City spatial planning tool;
 - Implementation of inclusionary housing policy and transit orientated development plan; and
 - Maintenance of the Capex JSIP management tool.

Joburg Market

The revenue budget increases by 5.9% to R674.2 million. The increase is mainly as results of the increase in rental facilities income and an increase in other revenue. The expenditure budget increase by 9.8% to R567.4 million before taxation. Below is a highlight of programmes that are within the budget:

- Good governance;
 - Business Continuity.
- Financial stability;
 - Market Repairs and Maintenance;

Metropolitan Trading Company

Revenue of the entity increases by 8.4% to R594.2 million and the expenditure budget increases by 8.4% to R594.2 million. Below is a highlight of programmes that are within the budget:

3A.23

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GROUP FINANCE

- Through a smart city to bridge digital gap:
 - Improve connectivity throughout the city to support economic growth by providing free Wi-Fi services to citizens; and
 - WIFI Access point rollout 150 access points for a period of three years.

Johannesburg Property Company (JPC)

The revenue budget increases by 22.8% to R1.1 billion mainly due to the increase in the CoJ subsidy. Other revenue, interest earned outstanding debtors' inter-companies, and other revenue inter-companies also increased. The expenditure budget increases by 22.8% to R1.1 billion in line with the increase in revenue. An allocation of R135 million was made for the leasing of properties to accommodate staff during the refurbishment of the Metro Centre. An amount of R25 million was transferred from Group Finance to JPC for the rental of the Old Mutual Building. Below is a highlight of programmes that are within the budget:

- Good governance;
 - Legislative compliance
- Job opportunity and creation;
 - SMME support

Johannesburg Development Agency

The revenue of Johannesburg Development Agency increases by 5.9% to R119 million. Expenditure increases in line with revenue by 5.9% to R119 million. The subsidy increases by 6.8% to R43 million. The Agency's programmes are day to day.

Johannesburg Roads Agency

The revenue budget increased by R58.6 million (4.3%) to R1.4 billion. The expenditure budget also increases by R61.3 million (4.3%) to R1.4 billion due to the allocation of network charges from MTC to contracted services as a result of the cancellation of the service level agreement. Below is a highlight of programmes that are within the budget:

- Sustainable service delivery:
 - Creating a responsive administration focused on the delivery of services to the city's residents;
 - Financial transparency and accountability to the citizens of Johannesburg; and
 - Infrastructure Repair and Maintenance: Traffic Signal Improvement Plan.

GROUP FINANCE

- A smart city;
 - Creating a responsive administration focused on the delivery of services to the city's residents.

Metrobus

The total revenue budget increased by 5% to R663.3 million in line with the budget parameters. The total expenditure budget increased by 5% to R663.3 million in line with the increase in the revenue budget. Below is a highlight of programmes that are within the budget:

- Good governance;
 - Financially sustainable and resilient city.
- Sustainable service delivery;
 - Improve customer/community satisfaction;
 - Leasing of additional buses; and
 - Guaranteed customer and citizen care and service.
- Safer city;
 - Procurement of independent security provider to guard assets and protect revenues.
- Active and engaged citizenry;
 - Improve customer/community satisfaction.
- Smart city;
 - Infrastructure improvement strategy: Renovation and maintenance of Metrobus buildings; and
 - Interim AFC, Cashless ticketing system, Digital routes tracking, WiFi on buses.
- Financial Sustainability;
 - Debt restructuring, advertising revenue generation, revenue protection, Interim ticketing system

3A.25

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GROUP FINANCE

Johannesburg Tourism Company

The revenue budget increased by R7.9 million (12.3%) to R72.6 million. The increase is mainly due to the increase in interest revenue. The expenditure budget also increased by 12.3% to R72.6 million in line with the increase in revenue. Below is a highlight of programmes that are within the budget:

- Sustained economic growth;
 - Achieve increased visitor numbers into the City of Johannesburg.

GOOD GOVERNANCE CLUSTER

Good Governance Cluster Revenue	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Group Forensic Investigation Services	1 000			
Office Of The Ombudsman	61 405	55 709	57 744	60 779
City Manager				
Group Information And Communication Technology				
Group Finance	25 143 787	28 069 238	29 854 024	31 785 546
Group Corporate And Shared Services	25 635	31 403	32 572	34 768
Speaker: Legislative Arm Of Council				
Municipal Entities Accounts	128 849	135 413	141 804	148 234
Total Revenue	25 360 676	28 291 763	30 086 144	32 029 327

The revenue budget of the Good Governance Cluster increases by 11.6%.

Good Governance Cluster Expenditure	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Estimate 2024/25 R 000	Estimate 2025/26 R 000
Group Forensic Investigation Services	103 330	106 989	110 519	112 191
Office Of The Ombudsman	36 364	43 111	44 642	45 529
City Manager	1 658 591	1 770 344	1 795 428	1 776 449
Group Information And Communication Technology	986 245	1 028 252	1 078 548	1 129 055
Group Finance	5 637 280	5 557 033	5 606 036	5 641 495
Group Corporate And Shared Services	473 432	1 036 019	1 512 155	1 728 722
Speaker: Legislative Arm Of Council	490 025	514 958	535 800	552 058
Municipal Entities Accounts	1 800 519	2 007 706	2 106 080	2 205 062
Total Expenditure	11 185 785	12 064 413	12 789 208	13 190 561

The expenditure budget of the Good Governance Cluster increases by 7.9%. Below follow the key focus areas for the budget per department within the good governance cluster.

GROUP FINANCE

Group Forensic Investigation Services

Group Forensic Investigation Service's expenditure budget increases by 3.5% to R107 million. Below is a highlight of programmes that are within the budget:

- Good Governance that prevents, detects, investigates, and resolves crimes against the City:
 - Citizens of the City are encouraged to report cases of fraud and corruption, theft of CoJ assets, maladministration, unauthorised, irregular, fruitless and wasteful expenditure, cyber-crime and hijacked properties by using the Anti-fraud and corruption hotline (0800 002 587) and email whislte@joburg.org.za;
 - Internal and external stakeholders are being educated about their roles and responsibilities in assisting the City in preventing crimes, reporting systems, and GFIS success stories through anti-fraud and corruption awareness programs;
 - The City has taken a zero-tolerance stance to fraud and corruption, asset theft, hijacked properties, cyber-crime, vandalism, maladministration (including Unauthorized Irregular Fruitless and Wasteful (UIFW)), security breaches, and illicit connections;
 - The Whistle Blowers Policy, which was authorized by the Council, is in place and provides for the reporting of wrongdoing as required under the Protected Disclosure Act (no 56 of 2000) and the MFMA financial misconduct regulations. The Anti-Fraud and Corruption Hotline, which is open 24 hours a day, seven days a week, is one of many community reporting options;
 - Intensify the combined operation that will be carried out to aid in revenue collection initiatives such revenue enhancement programmes; and
 - All reported concerns will be handled at the appropriate degree of independence, and the multi-agency approach will be encouraged through the utilization of other Law Enforcement Agencies (LEAs).

Ombudsman

Ombudsman's expenditure increases by 18.6% to R43.1 million. The increase is mainly to capacitate the department. Below is a highlight of programmes that are within the budget:

- Good Governance that is responsive, accountable, efficient and productive:
 - Proactive investigations by ensuring that service delivery failures, complaints, human rights violations and maladministration are attended and dealt with in a proper manner;
 - Resolving complaints and disputes for the citizens of Johannesburg in an amicable manner;

3A.27

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GROUP FINANCE

- Ensure the adherence to the principles of procedural fairness and administrative justice;
- Acknowledging all complaints received from members of public relating to alleged acts of maladministration by the City's administration and its employees, are investigated properly and dealt with; and
- Community outreach programs that educate residents on their human rights and responsibilities.

City Manager

Revenue of the department decreases by 9.3% to R55.7 million due to reduction of Programme and Project Preparation Support Grant and the expenditure budget increases by 6.7% to R1.8 billion. The increase above CPI is due to budget allocation to Youth Development and Military Veterans. Below is a highlight of programmes that are within the budget:

- Good Governance:
 - Ensure legally sound contracts that protect the interests of the CoJ and promote service delivery;
 - Provide and coordinate support to ME boards, management of the business of the executive and its committees with respect to the service delivery mandate of the MEs;
 - Provide integrated advisory and assurance services on the City's legislated mandate for service delivery, as well as promoting a culture of accountability and responsibility for the management of internal control systems; risk governance and risk management; consistent and effective compliance with regulations, policies, and procedures; and continuous improvement of operational systems; and
 - Cutting wasteful expenditure on non-core functions by monitoring resolution of audit queries raised in the AGSA management letter.
- Active and engaged citizenry:
 - Planning and delivery of streamlined and consistent communications to maximise the reach and impact of the city messages to targeted stakeholders, utilising both traditional as well as innovative communication platforms;
 - To use events and a communication platform to position the City in a positive light and promote Joburg as a brand locally and internationally; and
 - Plan and carry out integrated marketing campaigns of the City.
- Safer City:
 - Increasing public safety to create security;
 - Creating a city that is honest and open and fights corruption;

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GROUP FINANCE

- Ensure successful prosecutions on by-law related infringements; and
- Reducing petty crimes and enforcing by-laws.
- Infrastructure development and refurbishment
 - Develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation.

Group Information and Communication Technology:

Group Information Communication Technology's expenditure budget increases by 4.3% to R1 billion mainly due to an allocation for IT related services. Below is a highlight of programmes that are within the budget:

Smart city:

- A smart City that embraces ICT innovation as a force for good.

Group Finance

Group Finance's revenue budget increases by 11.6% to R28.1 billion due to new valuations of properties that will be implemented. The expenditure decreases by 1.4% to R5.6 billion. Below is a highlight of programmes that are within the budget:

Financial sustainability:

- Improve governance and attainment of a clean audit;
- Improvement of profitability and liquidity ratio of the city;
- Improved customer centricity, customer experience excellence in the new normal;
- Support for vulnerable residents through fair property rates rebates;
- Revenue completeness and accuracy, resolution of billing queries as per service level agreement, increasing responsiveness to billing problems; and
- Maintaining a clean audit outcome, as well as developing and maintaining the city's valuation roll.

Smart City:

- State Employee Verification tool – Proactively identify City's staff doing business with the City; and
- Improve customer satisfaction and quality of life through E-Joburg (EBPP – Electronic Bill Presentation & Payment Portal).

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GROUP FINANCE

Group Corporate and Shared Services

Group Corporate Shared Service's revenue budget increased by 22.5% to R31 million as a result of funding which is received from SETA which will be used to fund additional training expenses. The expenditure budget increases by 118.8% to R1 billion mainly to cater for the adjusted permanent locomotion allowance rate and implementation of PFA as well as contractor's specialist services. Below is a highlight of programmes that are within the budget:

- A governance and sustainable City
 - Study opportunities for the young – Study bursaries for under-privileged individuals.

Speaker: Legislative Arm of Council

Speaker's Office expenditure budget increases by 5.1% to R 514.9 million. Below is a highlight of programmes that are within the budget:

- Active and engaged citizenry:
 - Increase public participation and stakeholder engagement on IDP and Budget process;
 - Publication of all approved By-laws and public participation on By-laws and policies;
 - Providing support to strengthen Sec 79 Committees and Chairpersons in order to enhance oversight and scrutiny over the executive;
 - Conduct Civic education sessions for the public on IDP and ward committee elections;
 - Training of Councillors and Ward Committees; and
 - Creating a platform for communities to raise issues for redress by the City.

Municipal Entities Accounts

The revenue for the municipal entities accounts increases by 5.1% to R135.4 million. The expenditure for the municipal entities accounts increases by 11.5% to R2 billion. The increase in expenditure relates to the increased provision for depreciation and asset impairment, other general expenditure (utility charges), and internal charges.

4 POLICY IMPLICATIONS

None

3A.30

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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

<u>Consolidated Operating Budget</u> <u>(including internal transfers)</u>	2023/24 R 000	2024/25 R 000	2025/26 R 000
Direct revenue	75 393 870	80 330 770	86 368 924
Direct expenditure	73 299 518	77 142 913	79 708 202
Taxation	80 168	109 080	526 679
Capital grants and contributions	3 208 307	3 418 089	3 695 875
Surplus (Deficit) for the year	5 222 491	6 496 866	9 829 918

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 consolidated operating revenue of R75.4 billion, operating expenditure of R73.3 billion, taxation of R80.2 million and capital grants and contributions of R3.2 billion for the City of Johannesburg for the financial year 2023/24, and the indicatives for the projected medium-term period 2024/25 to 2025/26 be approved as set out in the following attachments:

- (1) The consolidated operating budget for the City, Core Administration and Municipal Entities as reflected in Annexure A, B and C.**

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(2) The operating revenue and expenditure budget by vote for the City as reflected in Annexure D.

2 That the subsidies payable by Core Administration to the following Municipal Entities be approved:

Municipal Entity	Adjusted Budget 2022/23	Budget 2023/24	Estimate 2024/25	Estimate 2025/26
	R 000	R 000	R 000	R 000
Pikitup	1 026 268	1 306 074	1 263 445	1 128 250
Johannesburg Roads Agency	1 258 837	1 323 633	1 365 117	1 381 759
Metrobus	570 927	599 576	617 656	624 800
Johannesburg City Parks and Zoo	978 945	1 142 236	1 175 092	1 180 037
Johannesburg Development Agency	40 286	43 041	44 082	44 271
Johannesburg Property Company	500 680	671 270	689 868	693 010
Metropolitan Trading Company	247 979	259 136	261 422	257 059
Johannesburg Social and Housing Company	48 004	48 617	48 122	62 689
Joburg City Theatres	179 652	183 984	191 403	200 016
Joburg Tourism	63 163	69 121	72 501	75 885
City Power	-	269 980	463 404	485 184
Total subsidies to ME's	4 914 741	5 916 668	6 192 112	6 132 960

3 That the supporting information contained in the 2023/24 – 2025/26 Medium-Term Revenue and Expenditure Budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act 56 of 2003) be approved in conjunction with this report.

(GROUP FINANCE)

(Ntuthuzelo April)

(DIRECTOR: GROUP BUDGET AND PLANNING)

(Tel. 081 352 9394)

(tc)

THE NEXT ITEM FOLLOWS THE ANNEXURES TO THIS ITEM