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City of Johannesburg Council 2020-07-09

COJ : MAYORAL COMMITTEE 2020-06-26 2020-07-06

GROUP FINANCE

3(b) 2020/21 – 2022/23 MEDIUM-TERM CAPITAL BUDGET FOR THE CITY OF JOHANNESBURG

1 STRATEGIC THRUST

The City identified ten (10) Priority Areas that the SDBIP, IDP and budget aim to achieve. The applicable Priorities for this Report are:

Priority 1: Good governance; and
Priority 2: Financial sustainability.

2 OBJECTIVE

To present the medium-term capital budget for the 2020/21 to 2022/23 financial years to Council for approval.

3 SUMMARY

(1) BUDGET PROCESS OVERVIEW

The MFMA aims to put in place a sound financial framework and sets out timelines for budget preparations and approval.

The budget process for 2020/21 commenced in November 2019. A Mayoral Lekgotla was held on 13 -15 December 2019 to reach agreement on key focus areas and interventions in line with the Government of Local Unity's (GLU) recommendations. Departments and municipal entities (MEs) were thereafter requested to prepare budget proposals and these budget proposals were then presented to the Budget Steering Committee held on 15, 20 - 22 January 2020. On 15 March 2020, the COVID-19 pandemic was declared as a national disaster. Departments and municipal entities were requested to implement various action plans in line with national and provincial interventions to ensure the virus do not spread out of control in its communities. On 17 June 2019, the Council approved the COVID-19 special adjustment which has been used as a base for the next MTEF planning.

The proposed 2020/21 – 2022/23 medium-term budget includes the national and provincial allocations as reflected in the latest Gazettes.

Consultation Process

The draft medium-term budget for 2020/21 – 2022/23 was tabled at Council on 29 May 2020 for consultation both externally and internally. Subsequent to tabling of the budget, the draft budget and proposed tariffs were publicised for stakeholder and public comments.

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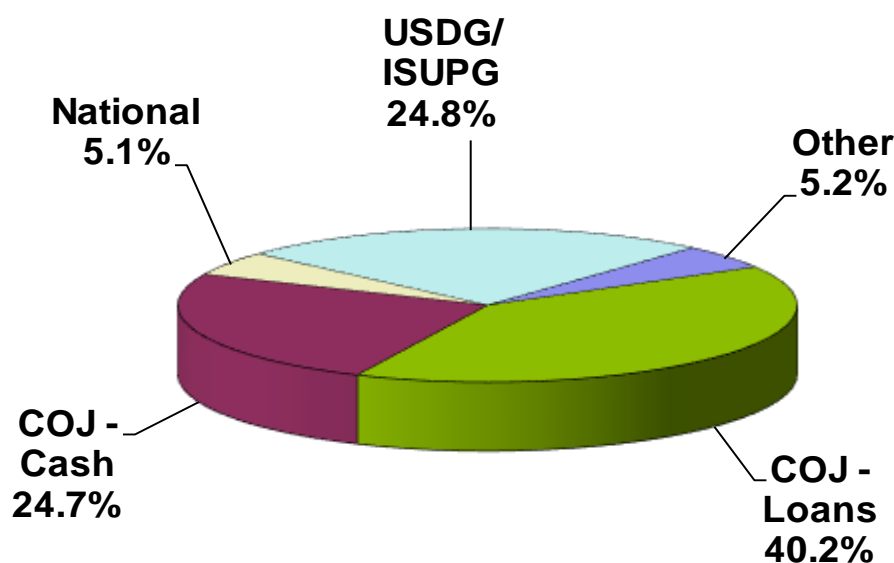
A report on the outcome of the consultation process on the budget and tariffs will be submitted separately in the agenda for Council to consider.

(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 R22.6 billion over the next three-year period. The capital budget for the 2020/21 financial year amounts to approximately R7.5 billion. Approximately R4.8 billion of the capital budget will be funded by the City and R2.6 billion from grants and public contributions.

Funding Sources for 2020/21



- R3 billion of capital will be funded from loans.
- R1.8 billion of capital will be funded through cash surpluses.
- R381.3 million will be funded from grants received from National (PTIS – R244.2 million, NDPG – R62.4 million and Integrated City Development Grant – R74.8 million).
- R1.9 billion will be funded through the Urban Settlement Development Grant (USDG).
- R384.3 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 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000
Loan funding	2 988 369	3 000 000	3 000 000	2 799 900
CRR and surplus cash	1 708 093	1 844 634	1 870 002	1 718 054
Grants and contributions	3 550 998	2 613 926	2 637 848	3 137 882
Total	8 247 460	7 458 560	7 507 850	7 655 836

- ... Annexure A attached reflects the Medium-Term Capital Budget per vote.
... Annexure B attached reflects the detail capital projects for the 2020/21 to 2022/23 financial years.

The 2020/21 Capital Budget is as follows:

SUSTAINABLE CLUSTER

Sustainable Cluster Capital	Adjusted Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000
Environment And Infrastructure	39 970	192 300	200 000	10 000
Housing	1 514 408	1 064 997	1 070 000	1 000 000
City Power	901 231	738 526	880 098	949 000
Johannesburg Water	1 060 681	1 091 567	993 375	1 030 850
Pikitup	102 250	141 823	156 041	129 960
Johannesburg Social Housing Company	405 700	378 000	505 900	501 690
Total Capital	4 024 240	3 607 213	3 805 414	3 621 500

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R11 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2020/21 financial year.

- Environment and Infrastructure is allocated an amount of R192.3 million. Allocations to the various projects include:
 - Braamfonteinspruit Upper Catchment R20 million;
 - Rehabilitation of Ivory Park Water Management Unit (J-IPWMU) R2 million;
 - Operational Capital R2 million; and
 - Waste Treatment Technologies (City Wide) R168.3 million.
- The Housing department's allocation for the 2020/21 financial year amounts to R1.1 billion. The allocation is channelled towards the following projects:

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- Braamfischerville Ext 12 and 13 R5.5 million;
- Bramfischerville Ext 7 and 8 R10 million;
- Cosmo City Phase 2 (Malibongwe Ridge) R71 million;
- Diepkloof Hostel Renewal Bulk Infrastructure DIEPKLOOF EXT. 10 R16 million;
- Drieziek Ext.3 R15 million;
- Drieziek Ext.4 R15 million;
- Drieziek Ext.5 R15 million;
- Dube Hostel Renewal Building Alterations DUBE EXT.2 R5 million;
- Elias Motsoaledi Ext1 Township Development (Region D) R10 million;
- Ennerdale South R15 million;
- Finetown Proper - Region G R5 million;
- Fleurhof Mixed Development R85 million;
- Formalisation of informal settlements (UISP) R221.6 million;
- Goudrand Rental Development R20 million;
- Helen Josephs Refurbishment and Upgrading of Women's Hostel Renewal Building Alterations Alexandra Ext.52 R10 million;
- Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats Johannesburg F Regional R30 million;
- Kanana Park Ext 1 R15 million;
- Kanana Park Ext 2 R15 million;
- Kanana Park Ext 3,4 and 5 R15 million;
- Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) Klipspruit R32 million;
- Lakeside Ext 1, 3 and 5 R25 million;
- Land Acquisition for Housing Developments City Wide R10 million;
- Lehae Ext 1 R30 million;
- Lufhereng (2000 units) R4 million;
- Lufhereng Mixed Development (Bulk, Link and Internal Infrastructure Roads, Storm Water Management Systems, Sewer and Water for 24 000 houses) R100 million;
- Madala Hostel Redevelopment R10 million;
- Mathoeshville Proper R10 million;
- Meadowlands Hostel Renewal Building Alterations Meadowlands R10 million;
- Operational capital (HS) New Operational Capex R5 million;
- Refurbishment and Upgrading of M2 Hostel Renewal Building Alterations Alexandra Ext.52 R3 million;
- Riverside View Ext 28 (Diepsloot Ext 12) R73 million;
- Site and Services - Formalisation of informal settlements across the City. Renewal Bulk Infrastructure City Wide R5 million;
- South Hills Housing Mixed Development R70 million;
- Stock, Flats and Old-Age Home Upgrading R42.8 million;
- Trans Relocation Area - Alexandra Extension 52 - 144 units R4 million;

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- Trans Relocation Area - Madala Sports Field - 1233 units R4 million;
 - Trans Relocation Area - Marlboro and Marlboro Gardens - 2295 units R4 million;
 - Trans Relocation Area - Zandspruit Extension 84 - 701 units R4 million;
 - Tshepisong Proper R10 million; and
 - Vlakfontein Ext 3 R15 million.
- City Power is allocated an amount of R738.5 million. Allocations to the various projects include:
 - All fencing and security lighting for various substations. Renewal Building Alterations City Wide R5 million;
 - Acquire servitudes and substation sites New Transmission Line in Reuven R2.5 million;
 - Cleveland Substation, Reconfigure busbar, replace high-risk transformer, add additional 45 MVA transformers and feeder board. Renewal Bulk Infrastructure at Heriotdale Ext. 10 R25 million;
 - Electrification of various Informal Settlements - City Wide R98.4 million;
 - Emergency work on the transmission network in Reuven R35 million;
 - Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R25 million;
 - Emergency work Renewal Medium Voltage Network in Reuven R35 million;
 - Establish new 88/11 kV substation at Ruimsig. New Bulk Infrastructure R15 million;
 - Hurst Hill Sub-station refurbishment Renewal Bulk Infrastructure R15 million;
 - Install new IED's in substations Renewal Protection City Wide R15 million;
 - Install statistical meters on all distributors City Wide R22.5 million;
 - Installation of new public lighting: Group luminaire replacement R30 million;
 - Installation of new public lighting: Street lights (City Wide) R30 million;
 - Installation of new service connections in Alexandra Ext. 63 R7 million;
 - Installation of new service connections in Halfway House Ext. 74 R7.5 million;
 - Integrated security, fire detection and suppression systems for major substations. Including fibre optic links (+ - 50 % of budget). New Security Equipment City Wide R6.7 million;

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- Lutz: Establish new 88/11 kV cabling. New Bulk Infrastructure in Honeydew Manor Ext.11 R40 million;
- Mobile sub-station R30.5 million;
- Mulbarton Sub - Install additional 45MVA transformer, refurbishment and bus bar reconfiguration. New Bulk Infrastructure in Liefde En Vrede Ext.1 R25 million;
- New service connections in Hurst Hill R7.5 million;
- New service connections in Berea R7.5 million;
- New service connections in Ferndale Ext.25 R6.5 million;
- New service connections in Roodepoort Ext.2 R6.5 million;
- New service connections in Reuven R6 million;
- Operating Capital in Reuven R20 million;
- Prepare mini subs and load centres for 11 kV conversion Renewal Township Reticulation in Jeppestown R10 million;
- Refurbishment of LV infrastructure. Renewal Low Voltage in Reuven R10 million;
- Refurbishment of MV infrastructure, switchgear and transformers. Renewal Medium Voltage Network in Reuven R8.5 million;
- Replace batteries in sub stations Renewal Bulk Infrastructure City Wide R5 million;
- Replace obsolete energy meters with prepaid units City Wide R20 million;
- Replace open LV conductors with ABC Renewal Low Voltage City Wide R15 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R10 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in Reuven R10 million;
- Revenue Generation Efficiency Project. Pre-paid system installation of semi-automated pre-paid and automated pre-paid (smart meters) City Wide R30 million;
- RTU installations New SCADA City Wide R5 million;
- SCADA Masterstation upgrade City Wide R5 million;
- Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R10 million;
- Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R30 million;
- Upgrade Eldorado Substation Renewal Bulk Infrastructure R15 million;
- Upgrade John Ware Substation Renewal Bulk Infrastructure in Fordburg R10.9 million;
- Upgrade MV Network in CBD. Renewal Medium Voltage Network R10 million; and
- Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R10 million.

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- Johannesburg Water is allocated an amount of R1.1 billion. Allocations to the various projects include:

Water is allocated R789.5 million and projects include:

- Water Demand Management: New Operate and Maintenance Assets (Orange Farm and Soweto) R225 million;
- Operational Capital: Operations and Maintenance R132.1 million;
- Operational Capital: Corporate Requirements of Johannesburg Water R54 million;
- Basic Water Service: New Basic Water and Sewer Services R50 million;
- Deep South/ Orange Farm: Doornkop West/Protea Glen District: Upgrade water infrastructure R1 million;
- Halfway House Water Upgrade R5 million;
- Johannesburg Central: Planned Replacement Watermains R10 million;
- Lenasia High Level Reservoir 10ML R23.7 million;
- Lion Park Bulk Water and Sewer Infrastructure Upgrade R5 million;
- Louis Botha Corridor (JW: Water) Renewal Corridors of Freedom Intervention R5 million;
- Midrand: Blue Hills Tower 1.8ML R5 million;
- Midrand: Carlswald Water Infrastructure Upgrade R8 million;
- Midrand: Erand Tower 2 1.5ML R15 million;
- Midrand: Halfway House Reservoir 20ML R10 million;
- Midrand: Ivory Park North Water Upgrade R2.5 million;
- Midrand: Planned Replacement: Watermains Renewal R5 million;
- Naturena Bulk Water Upgrade R6 million;
- Operational Capital: Planning and engineering studies R32 million;
- Operational Capital: Provision for Emergency Work R30 million;
- Orange Farm/ Deep South: Lenasia Water Upgrade R5 million;
- Orange Farm/ Deep South: Planned Replacement Watermains R10 million;
- OV: Infrastructure Renewal Plan R29.2 million;
- Perth Empire Corridor (JW: Water) Renewal Corridors of Freedom Intervention R10 million;
- Roodepoort/Diepsloot: Planned Replacement Watermains R5 million;
- Roodepoort/Diepsloot: Robertville Tower 2.25ML R15 million;
- Sandton/ Alexandra: Founder Hill Water Upgrade R5 million;
- Sandton/ Alexandra: Woodmead Reservoir 22ML R5 million;
- Sandton/ Alexandra: Bryanston Water Upgrade R10 million;
- Sandton/ Alexandra: Linbro Park Water Upgrade R20 million;
- Sandton/ Alexandra: Planned replacement watermains R20 million;
- Sandton/ Alexandra: RW Weltevreden Water Upgrade R10 million;

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- Southdale/ Laaglaagte: Crown Gardens Tower 1.1ML R8 million;
- Southdale/ Langlaagte: Aeroton Direct Tower 1.4ML R3 million;
- and
- Soweto: Planned Replacement of the Watermains in Mapetla R10 million.

Sewer is allocated R302.1 million and projects include:

- Bushkoppie: New PSTs number 2 R5 million;
- Bushkoppies Works: BK Balancing Tank R3 million;
- Bushkoppies Works: Upgrade Main Blowers and Pipework R5 million;
- Driefontein Works: Infrastructure Renewal Plan R10 million;
- Driefontein Works: Refurbish WAS and RAS p/s R1 million;
- Ennerdale Works: Dam cleaning and lining R1 million;
- Ennerdale Works: Replace module mixers and motors R3.6 million;
- Goudkoppies Works: Infrastructure Renewal Plan R12 million;
- Johannesburg Central: Planned Replacement Sewer mains R10 million;
- LA: Module 1 R10 million;
- Midrand: Ivory Park North Upgrade Sewer R2.5 million;
- Northern Works: Belt Presses New #4 R15 million;
- Northern Works: Desludge and line Dam 02 R10 million;
- Northern Works: Infrastructure Renewal R5 million;
- Northern Works: Unit 4 liquor treatment R30 million;
- Northern Works: Unit 4: Replacement of Electromechanical R10 million;
- Northern Works: Unit 5 mod 2 R40 million;
- Olifantsvlei Works: Belt Presses # 1 R1 million;
- Olifantsvlei Works: Digester Heating and Mixing R10 million;
- Orange Farm/ Deep South: Planned Replacement Sewer mains R10 million;
- Roodepoort/ Diepsloot: Diepsloot Sewer Pipelines and Bridge R50 million;
- Roodepoort/ Diepsloot: Lanseria Outfall Sewer Upgrade R10 million;
- Roodepoort/ Diepsloot: Planned Replacement Sewer mains R5 million;
- Roodepoort/ Diepsloot: Witpoortjie Sewer Upgrade Renewal Bulk Waste Water R2 million;
- Sandton/ Alexandra: Louis Botha Corridor (JW: Sewer) Renewal Corridors of Freedom Intervention R5 million;
- Sandton/ Alexandra: Planned Replacement Sewer mains R5 million;
- Soweto: Anthea Nancefield Sewer (Klipspruit River) Phase 1 R20 million;

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- Soweto: Planned Replacement Sewer mains R10 million; and
- WWTW: Northern Farm - Dam Repair R1 million.

- Pikitup is allocated an amount of R141.8 million. Allocations to the various projects include:
 - Facilities Renewal, Upgrades including Branding and Signage R88.1 million;
 - Buyback and Sorting Facilities including drop-off Centres R19.9 million;
 - ICT Hardware and Software R11 million;
 - Separation at Source Facilities and Equipment R21.8 million; and
 - Waste Bulk Containers R1 million.

- The Johannesburg Social Housing Company is allocated R378 million in the 2020/21 financial year to implement the following projects:
 - 106 Claim Street Inner City Building Conversion Region F R5 million;
 - 38 Rissik Street (NBS) Inner City Building Conversion R4.6 million;
 - 80 Plein Street Inner City Building Conversion Region F R10 million;
 - Abel Road Inner City Building Conversion Region F R10 million;
 - Booyens Street Inner City Conversion R5 million;
 - Casamia Inner City Building Upgrade Region F R5 million;
 - Devland Golden Highway Social Housing Project Region D R33 million;
 - Inner City Buildings Acquisitions R16 million;
 - JOSHCO House R30 million;
 - Lufhereng Social Housing Project Region D R31 million;
 - Nancefield Social Housing Project Region D R18 million;
 - Princess Plots Social Housing Project Region C R40 million;
 - Randburg Selkirk Social Housing Project Region B R40.4 million;
 - Roodepoort Social Housing Upgrade Region C R20 million;
 - Special Projects Programme for the installation of water and electricity meters in the rental units R24.1 million;
 - Tum-Key 1: Region A R26 million;
 - Tum-Key 1: Region B R20 million;
 - Tum-Key 3: Region D R20 million; and
 - Tum-Key 4: Region G R20 million.

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HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Capital	Adjusted Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000
Community Development	131 683	77 047	145 000	142 635
Health	99 008	113 200	57 530	75 200
Social Development	5 000	15 600	79 745	50 000
Public Safety	111 800	162 200	121 365	104 000
Johannesburg City Parks And Zoo	66 700	53 700	37 500	53 300
Joburg City Theatres	34 751	36 108	6 019	6 621
Total Capital	448 942	457 855	447 159	431 756

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 2020/21 financial year.

- Community Development is allocated R77 million. Allocations to the various projects include:
 - Operational capital R2 million;
 - Security measures in facilities new plant and equipment R2 million;
 - Joburg Art Gallery upgrade R6 million;
 - Upgrading of Museum Africa and Precinct R4.5 million;
 - Construction of a new Cosmo City swimming pool R7 million;
 - Construction of the Ivory Park new swimming pool R10 million;
 - Construction of a new MPC in Matholesville R8 million;
 - Lehae MPC new construction R10 million;
 - Minor works at various Comm Dev facilities R10 million;
 - Construction of the new multipurpose centre (Library included) at Kaalfontein (Ebony Park) R10 million; and
 - Construction of Drieziek MPC R7.5 million.

- Health Department is allocated an amount of R113.2 million. Allocations to the various projects include:
 - Minor Works at various clinics across the City R7 million;
 - Electricity Upgrade, Solar Generators and Back-up Electricity for Health Facilities across the City R2.5 million;
 - Airconditioners: Supply, install and renew of air conditioners in Health Facilities across the City R200 thousand;
 - Bophelong Clinic R26.5 million;
 - Enterprise Electronic Record Management System (E-Health) R30 million;
 - Florida New Clinic R21 million;
 - Naledi New Clinic R17 million;

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- Operational Capital R7 million; and
- Zandspruit New Clinic R2 million.
- Social Development is allocated an amount of R15.6 million. Allocations to the various projects include:
 - Betrams New Multi Purpose Center R1.5 million;
 - Fleurhoff Farm R1.5 million;
 - Furniture for Northern Farm, Fleurhoff and Eikenhoff Farm R1.5 million;
 - Operational Capital: Equipment and Machinery for Agricultural and Food Resilience (Tractor, Rippers and Planters) R1.5 million;
 - Operational Capital Renewal - Operationalise Substance Abuse Directorate R3 million;
 - Refurbishment of the Yetta Nethan Community Centre R500 thousand;
 - Shelters for Displaced People R5 million; and
 - Windsor West Overnight Shelter R1.1 million.
- Public Safety is allocated a budget of R162.2 million in the 2020/21 financial year to implement the following projects:
 - Public Safety Head Office is allocated R38.2 million in the financial year to implement the following projects:
 - Construction of a business desk at Midrand (One Stop shop for corporate clients) R10 million;
 - Integrated Intelligent Operational Centre (IIOC) R20 million;
 - Office Furniture R1 million;
 - Operational Capital: (JMPD) New Operational Capex R200 thousand; and
 - Standby generators, air conditioners and office equipment R7 million.
 - Emergency Management Services Department is allocated R55 million in the financial year to implement the project below:
 - Equipment cache for Urban Search and Rescue (New technology) R10 million;
 - Fire Station - Protea Glen New R15 million; and
 - New Fire Station - Central Fire Station R30 million.
 - Johannesburg Metropolitan Police Department is allocated R69 million in the 2020/21 financial year to implement the following projects:
 - Bullet proof vests - body armour R15 million;
 - CCTV for the protection of City of Johannesburg Council owned property R4 million;

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- Martindale Refurbishment R3 million;
 - New Radio Communication system New Plant and Equipment R20 million;
 - Operational Capex: Computers for Regional Commanders R2 million;
 - Purchase of Dogs and Horses R5 million; and
 - Supply Firearms to the JMPD new recruits R20 million.
- City Parks and Zoo is allocated an amount of R53.7 million. Allocations to the various projects include:
 - Bird Sanctuary Infrastructure Upgrade - City Wide R181 thousand;
 - Cemetery Upgrades - Phase 1 R3 million;
 - City Parks House New Computer Hardware and IT Equipment R2 million;
 - Development and Upgrading of Riverlea Renewal Park R1.5 million;
 - Dorothy Nyembe EE - E-Learning Center R2 million;
 - Florida Park Upgrade R3 million;
 - Golden Harvest Park Upgrade R2.2 million;
 - Huddle Park Nursery Rainwater Harvesting R2.5 million;
 - Innerscity Parks Intervention Development and Upgrading R4.5 million;
 - Botanical Gardens Infrastructure Upgrade in Emmarentia R1.5 million;
 - Lenasia New Eco Park Development R5 million;
 - Louis Botha Park Upgrades R2 million;
 - Olifantsvlei Cemetery Renewal R2 million;
 - New Park Development in Emdeni R2 million;
 - New Park Development in Protea Glen R2 million;
 - New Plant and Equipment R4 million;
 - Protea Glen New Park Development R2 million;
 - Rabie Ridge New Park Development R1.2 million;
 - Road Islands and Town Entrances Developments and Beautification City Wide R500 thousand;
 - Tsepisong New Park Development R2 million;
 - Upgrade of existing parks to Occupational Health and Safety Standards City Wide R1.4 million;
 - Upgrading of Huddle Park Nursery Renewal Park in Alexandra Ext. 4 R1 million;
 - Zoo Infrastructure Renewal Building Alterations R6 million; and
 - Zoo - Animal Purchases New Operational Capex R200 thousand.

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- Joburg City Theatres is allocated R36.1 million. Allocations to the various projects include:
 - Promusica Theatre - Information technology new computer hardware and software R901 thousand;
 - Joburg Theatre - Building renovations and upgrades new building alterations R29.7 million; and
 - Joburg Theatre - Upgrade of stage machinery renewal plant and equipment R5.5 million;

ECONOMIC GROWTH CLUSTER

Economic Growth Cluster	Adjusted Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000
Capital				
Economic Development	13 170	5 680	5 680	
Transport	1 118 100	683 153	685 939	1 170 892
Development Planning	263 700	200 206	201 610	184 084
Joburg Market	70 015	200 410	195 510	185 000
Johannesburg Property Company	160 080	147 981	35 000	60 000
Johannesburg Development Agency	165 288	192 788	203 980	157 000
Johannesburg Roads Agency	1 140 860	1 131 500	1 122 000	1 102 271
Metrobus	93 490	145 230	111 500	90 700
Total Capital	3 024 703	2 706 948	2 561 219	2 949 946

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R8.2 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2020/21 financial year.

- The Economic Development department is allocated R5.7 million in the 2020/21 financial year to implement the following projects:
 - Inner City Roadmap Economic Development Initiatives Renewal Inner City Intervention Johannesburg F Regional R3 million; and
 - Operational Capital R2.68 million.
- The Transport department is allocated R683.2 million in the 2020/21 financial year to implement the following projects:
 - PTF: Public Transport Facility in Sandton R2 million;
 - PTF: Redevelopment of Inner City Ranks R15 million;
 - 2804_08_Alex Bus Depot (Phase 2 - Workshops) – BRT 1C infrastructure R244.2 million;
 - COMPL: Sidewalk Improvements: Tsiawelo Metrorail Station Link: Mhlaba / C Hani New Nodal Transport Facilities Chiawelo D City Wide R2 million;
 - Complete Streets: Orlando East to UJ Soweto Route R10 million;

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- Complete Streets: Deep South R1 million;
 - Complete Streets: Turfontein R1 million;
 - Large: Public Transport Facility Redevelopment of Karzene, Newtown Ext.1 Region F R70 million;
 - NR: Nodal Regeneration: Braamfontein Precinct R1 million;
 - Park and Ride Facility: Design and Construction of a Park n Ride in Greenside Region E R10 million;
 - PTF Small Public Transport Facility Design and Construction of Zola Public Transport Facility New Nodal Transport Facilities Zola D Regional R5 million;
 - PTF: Small Public Transport Facilities: Drieziek Ext. 3 R10 million;
 - PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G) R15 million;
 - PTF: Small Public Transport Facilities: Tshepiso R20 million;
 - PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities Kya Sand R5 million;
 - PTF: Small Public Transport Facility: Lehae R1 million;

 - PTF: Transfer Facility: Lenasia Scholar Transport Interchange R2 million;
 - PTF: Upgrading of Rosebank Public Transport Facility R2 million;
 - PTF: Upgrading of Sunninghill Public Transport Facilities R2 million;
 - Purchase of buses (Rea Vaya:2018/19-19/20; and Metrobus: 2020/21) R250 million; and
 - Small: Public Transport Facility in Zakariya Park Region G R15 million.
- Development Planning is allocated R200.2 million. Allocations to the various projects include:
 - Brixton Social Cluster R53.5 million;
 - Ghandi Square East R30 million;
 - Inner City Partnership Fund R16 million;
 - Inner city Core PEU (Including the Southern Parts) R1,5 million;
 - Jabulani Precinct Upgrades R62.4 million;
 - JSIP Maintenance R6 million;
 - New Turfontein Clinic and multi-purpose centre R14.5 million;
 - Operating capital R 5.8 million; and
 - Paterson Park - storm water and new social facilities, park and road upgrading R10.5 million.

3(b).15

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GROUP FINANCE

- The Joburg Market is allocated R200.4 million in the 2020/21 financial year to implement the project below:
 - Installation of Sprinkler System (Fire suppression system OHSA) R5 million;
 - Refurbishments/Construction of ablution facilities R4 million;
 - Upgrades to the Main Building (Mandela Market. Cold Rooms, Offices and Food Courtyard) R60 million;
 - Alternative Energy Systems R2 million;
 - Construction of a pack-house for emerging farmers at the Joburg Market R5 million;
 - Extension of Trading Halls at the Joburg Market R15 million;
 - Installation of Smart Meters - Revenue Protection R34 million;
 - Office equipment New/Renewal New Office Equipment R5 million;
 - Operational Capital - Cleaning in-sourcing R10 million;
 - Operational Capital: Computer Hardware New/Renewal Renewal Computer Hardware City Deep Ext.22 F Regional R4.41 million;
 - Operational Capital: Directional signage within market premises New Building Alterations City Deep Ext.22 F Regional R5 million;
 - Operational Capital: Replacement of the roof at trading halls New Building Alterations City Deep Ext.22 F Regional R10 million;
 - Operational Capital: Upgrade CCTV Renewal Computer Software City Deep Ext.22 F Regional R25 million;
 - Operational Capital: Upgrade Hall 9 Renewal Building Alterations City Deep Ext.22 F Regional R5 million;
 - Upgrade of Market Facilities Cooling of the Halls R1 million; and
 - Upgrading of Banana Ripening and Cold rooms R10 million.

- The Johannesburg Property Company is allocated R148 million in the 2020/21 financial year to implement the following projects:
 - Computer Equipment - New Computer Upgrades R8.1 million;
 - Erf 43-46 Victoria Ext 3(Paterson Park Node) Victoria Ext. 3 E Regional R5 million;
 - FMMU - Public Conveniences New Public toilets Johannesburg R25 million;
 - Marlboro Station Project Land Preparation R500 thousand;
 - Metromall Taxi Rank Shop Revitalisation and Waste Management Area Redesign R20 million;
 - Office Space Optimisation Program New Precinct Redevelopment Johannesburg F City Wide R71.9 million;
 - Park Central Facility Upgrade and Packaging Renewal Building Alterations JOHANNESBURG F Ward R2.5 million; and
 - Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex Johannesburg F Ward R15 million.

3(b).16

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GROUP FINANCE

- Johannesburg Development Agency is allocated R192.8 million. Allocations to the various projects include:
 - Alexandra Sports and Youth Development SAFA Safe Hub Facility R24 million;
 - Balfour Park Transit Precinct Development (Louis Botha Corridor) R8.8 million;
 - Banakekelen Hospice New Clinic Alexandra R30 million;
 - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention R5 million;
 - Perth Empire Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention Westbury R20 million;
 - Diepsloot Development Renewal Precinct R15 million;
 - Inner City Eastern Gateway TOD and movement corridors R18 million;
 - Ivory Park Development Catalytic Node infrastructure R10 million;
 - Melville Activity Street Neighborhood Development Upgrade R1.5 million;
 - Operational capex R1 million;
 - Orchards Clinic R20 million;
 - Orlando East Station Precinct new precinct redevelopment R2 million;
 - Pennyville precinct renewal precinct redevelopment R1.5 million;
 - Randburg CBD regeneration Renewal Precinct Ferndale R2 million;
 - Regeneration of Lenasia CBD and Anchorville Industrial Hub R18 million; and
 - Roodeport CBD regeneration renewal precinct redevelopment R16 million.

- The Johannesburg Roads Agency is allocated R1.1 billion in the 2020/21 financial year to implement the following projects:
 - 3983_00_RAMs - Existing stormwater network VCAs - City wide R5 million;
 - 3983_01_RAMs - Alexandra ARP Storm-water Network VCA's Region E, Wards 108, 116, 105, 76, 7 R1.5 million;
 - 3983_02_RAMs - Fordsburg: Inner City Roadmap Storm-water Network VCA's Region F; Ward R1.3 million;
 - 3983_03_RAMs - Inner-city Storm-water Network VCA's Region E R1.3 million;
 - 3983_04_RAMs - Northcliff Storm-water Network VCA's Region C R1 million;

3(b).17

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GROUP FINANCE

- 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 R90.5 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 R15 million;
- BRID 20 - Conrad Bridge; Blairgowrie. Renewal Bridges (Pedestrian and Vehicles) Craighall B Ward R6 million;
- CATCH - Flooding intervention and alleviation in Far East Bank - Alexandra R10 million;
- CATCH - Implementation of CBP Stormwater Masterplanning: Soweto. New Stormwater Management Projects Orlando West D Regional R30 million;
- CATCH 10 - Emergency Stormwater Improvement (Multi-year): Protea Glen Ext 1-4 (Phase 1-5). New Stormwater Catchments Protea Glen D Ward R30 million;
- CATCH 200 - Braamfontein Spruit Catchment: Erosion Protection - Sub 07, Morningside Manor to George Lea Park. New Stormwater Catchments Morningside Ext.77 E Ward R2 million;
- CATCH 210 - Klein Jukskei Catchment: Bond Stream Relief System, Ferndale. New Stormwater Catchments Ferndale B Ward R35 million;
- CATCH 212 - Bezuidenhout Valley Catchment Upgrade: Rehabilitation of existing water course and wetland. R3 million;
- CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments Vorna Valley Ext.13 A Ward R6 million;
- CONV - Conversion of Open Drains to underground storm water system in Bram Fischerville. Renewal Stormwater Management Projects Bram Fischerville C Ward R10 million;
- CONV - Conversion of Open Drains to underground storm water system/Covered Drains in Orange Farm. Renewal Stormwater Management Projects Orange Farm G Ward R30 million;
- CONV - Conversion of Open Drains to Underground/Covered Drains in Ivory Park and surrounding areas. Renewal Stormwater Management Projects Ivory Park Ext.7 A Ward R20 million;
- Implementation of complete street standards citywide (sidewalks and stormwater upgrades) R2 million;
- MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects Johannesburg F City Wide R6 million;
- MISCL - Emergency, Critical and Urgent Depot Stormwater Improvements. Existing Stormwater Management Projects Johannesburg City Wide R40 million;
- MISCL - Gravel Roads: Zandspruit New Roads: Construction and Upgrades Zandspruit C Ward R10 million;

3(b).18

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GROUP FINANCE

- MISCL - Integrated Roads and Stormwater Masterplanning. New Stormwater Management Projects Johannesburg F City Wide R9 million;
- MISCL - Investigate and Design Future Schemes. New Operational Capex Johannesburg F City Wide R6 million;
- MISCL - Tarring of Gravel Roads: Bram Fischerville. New Roads: Construction and Upgrades Bram Fischerville D Ward R30 million;
- MISCL - Tarring of Gravel Roads: City Wide R15 million;
- MISCL - Tarring of Gravel Roads: Diepsloot. New Roads: Construction and Upgrades Diepsloot West Ext.3 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Doornkop/Thulani. New Roads: Construction and Upgrades Doornkop D Ward R30 million;
- MISCL - Tarring of Gravel Roads: Drieziek. New Roads: Construction and Upgrades Drieziek G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Ivory Park and Surrounding Areas. New Gravel Road Ivory Park Ext.9 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Kaalfontein. New Roads: Construction and Upgrades Kaalfontein Ext.2 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Lawley. New Roads: Construction and Upgrades Lawley Ext.1 R15 million;
- MISCL - Tarring of Gravel Roads: Mayibuye. New Roads: Construction and Upgrades Commercia A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Orange Farm and Surrounding Areas. New Roads: Construction and Upgrades Orange Farm G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Poortjie. New Roads: Construction and Upgrades Poortjie G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Slovoville New Roads: Construction and Upgrades Slovoville D Ward R30 million;
- MISCL - Tarring of Gravel Roads: Tshepisong. New Roads: Construction and Upgrades Tshepisong C Ward R30 million;
- MOB - Alternative Energy: Alternative Power Sources (LED). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R3 million;
- MOB - Alternative Energy: Alternative Power Sources (UPS). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R18 million;
- MOB - Geometric Improvements. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R10 million;
- MOB - Guardrails. Renewal Roads: Construction and Upgrades Johannesburg F Regional R5 million;
- MOB - Installation of New Warranted Traffic Signals R5 million;

3(b).19

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GROUP FINANCE

- MOB - Intelligent Transport Systems (ITS) Projects. New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R5 million;
- MOB - Recabling of Traffic Signals. Intelligent Transportation System & Networks Johannesburg F City Wide R40 million;
- MOB - Remote Monitoring: Urban Traffic Control (UTC). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R2 million;
- MOB - SARTSM: Upgrade Traffic Signals intersections City Wide R6 million;
- MOB - Traffic Management Centre. Renewal Mobility: Intelligent Transportation System & Networks R9.5 million;
- MOB - Upgrading Controllers and Phasing. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F Regional R10.5 million;
- MOB - Upgrading of Traffic Signals Controllers. Intelligent Transportation System & Networks Johannesburg F City Wide R6 million;
- Operational Capital: CS - Depot Upgrading and Standardization. Renewal Operational Capex Johannesburg F City Wide R5 million;
- Operational Capital: CS - Operational Capex. Renewal Operational Capex Johannesburg F City Wide R10 million;
- RAMS - GIS Improvement R5 million;
- REHAB - Rehabilitation of Open Channels City Wide. Renewal Stormwater Management Projects Johannesburg F City Wide R30 million;
- REHAB - Road Rehabilitation and Reconstruction Programme. Renewal Roads: Construction and Upgrades Johannesburg City Wide R50 million;
- RESUR - Resurfacing of M1 Motorway. Renewal Roads: Rehabilitation MELROSE E City Wide R30 million;
- RESUR - Resurfacing of M2 Motorway. Renewal Roads: Rehabilitation Johannesburg F City Wide R31.4 million;
- RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg City Wide R69.1 million;
- RESUR - Resurfacing of Soweto Highway. Renewal Roads: Rehabilitation Orlando D City Wide R10 million;
- RNP005_Spencer Road New Link New Roads: Construction and Upgrades Fleurhof C Regional R6 million;
- RNP013_Jan Smuts Dualling Renewal Roads: Construction and Upgrades Parkwood B Regional R12 million;
- RNP022_Richards Drive Upgrading Renewal Roads: Construction and Upgrades Half Way House Ext.95 R550 thousand;
- RNP085_Bulk stormwater development/Transport hub Sandown E Ward R2 million;
- Tarring of Zandspruit Access Road R10 million; and
- Traffic calming measures City Wide R10 million.

3(b).20

City of Johannesburg Council 2020-07-09

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GROUP FINANCE

- Metrobus is allocated R145.2 million in the 2020/21 financial year to implement the following projects:
 - Borehole pump R500 thousand;
 - Building - Building Alterations/Upgrade R19.6 million;
 - Bus Refurbishment R32 million;
 - Cashless Ticketing System, Bus CCTV, on board machine R50 million;
 - CCTV cameras for head office R11.5 million;
 - Engine and Gear box refurbishment R7.5 million;
 - Furniture and Office Equipment R2.5 million;
 - IT Equipment, New Computers and Hardware Computer Hardware R19 million; and
 - Plant and Machinery R2.7 million.

GOOD GOVERNANCE CLUSTER

Good Governance Cluster Capital	Adjusted Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000	Budget 2022/23 R 000
Group Forensic Investigation Services		900	100	
Office Of The Ombudsman	2 000	2 000	2 000	
City Manager	9 321			
Group Information And Communication Technology	486 629	390 500	350 600	340 600
Group Finance	5 525	23 000	38 000	10 500
Group Corporate And Shared Services	236 600	253 145	298 358	301 534
Metropolitan Trading Company		15 000		
Speaker: Legislative Arm Of Council	9 500	2 000	5 000	
Total Capital	749 575	686 545	694 058	652 634

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R2 billion. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2020/21 financial year.

- Group Forensic Investigation Services is allocated R900 thousand for capital. Allocation to the project include:
 - Furniture and Office Equipment R650 thousand; and
 - Operational Capital R250 thousand.
- Ombudsman is allocated R2 million for capital. Allocation to the project include:
 - Operational Capex- Computer, Software, Furniture R2 million.

3(b).21

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GROUP FINANCE

- Group Information Communications Technology is allocated R390.5 million. Allocations to the various projects include:
 - Infrastructure End User Computer Hardware R10 million;
 - Infrastructure upgrading R100 million;
 - Microsoft Licenses R110 million;
 - Non-Sap Application (Johannesburg) Modernization and Optimization Johannesburg City Wide R15 million;
 - Operational capital - R500 thousand;
 - SAP and Non-SAP archiving R10 million;
 - Sap software Upgrade/re-implementation to latest SAP version R30 million;
 - Smart City Enablement new computer software R10 million;
 - Strategic SAP update renewal computer software R10 million;
 - Upgrading of security hardware equipment R30 million;
 - WAN and LAN upgrade R25 million; and
 - WIFI rollout R40 million.
- Group Finance is allocated R23 million for capital. Allocation to the various projects include:
 - Capital Enhancement System Renewal Computer Software JOHANNESBURG F City Wide R8 million;
 - New Office Equipment and Furniture City Wide R5 million; and
 - Valuation Roll System R10 million.
- Group Corporate and Shared Services is allocated R253.1 million. Allocation to the various projects include:
 - Computers R214 thousand;
 - Office Machines R131 thousand; and
 - Procurement of fleet R252.8 million.
- Metropolitan Trading Company is allocated R15 million for capital.
 - Office upgrades, office laptops and desktops R5 million; and
 - Batteries for core nodes (these batteries are reaching the end of useful life) R10 million.
- The Speaker: Legislative Arm of the Council is allocated R2 million for capital. Allocation to the project include:
 - Tools of Trade for the staff, councillors and governance structures in the legislature for computers, printers R2 million.

4 POLICY IMPLICATIONS

None.

3(b).22

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GROUP FINANCE

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

Consolidated Capital Budget:

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

2020/21	7 458 560
2021/22	7 507 850
2022/23	7 655 836

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. The Council shall consider any representations received in terms of Section 23 of the Act.

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 458 560 000 for the year 2020/21, R7 507 850 000 for the year 2021/22 and R7 655 836 000 for the year 2022/23 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.**

3(b).23

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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. (011) 358-3290)

(tc)

THE NEXT ITEM FOLLOWS THE ANNEXURES TO THIS ITEM