CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

2020/21 ADJUSTMENTS BUDGET

28 January 2021

[Including additional recommendations approved at the Council meeting]

LIST OF TABLES

LIST OF ANNEXURES

GLOSSARY OF TERMS AND ABBREVIATIONS

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent and the month end cash and short-term investment balances.

CGD – Capital Grants and Donations mainly comprising of National and Provincial Government allocations as well as public contributions and donations from external parties.

CCT – City of Cape Town

CRR – Capital Replacement Reserve. An internal funding source used for capital projects, which must at all times be cash-backed in line with Section 18 of the MFMA.

CTICC - Cape Town International Convention Centre

CTS – Cape Town Stadium

EFF – External Financing Fund. Internal funding mechanism and funded from borrowing for capital expenditure.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

MBRR – Municipal Budget Reporting Regulations

MFMA - Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

NT – National Treasury

Operating Expenditure – The day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

PT – Provincial Treasury

Rates – Local Government tax based on assessed valuation of a property.

SFA – Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.

Vote – One of the main segments into which a budget is divided, usually at directorate level.

WCG – Western Cape Government

PART 1 - ADJUSTMENTS BUDGET: PARENT MUNICIPALITY – CITY OF CAPE TOWN

1. Mayor's Report

1.1. Summary of reasons for the adjustments budget

Primary reasons for the recommendation to adopt a January 2021 adjustments budget result from:

- The appropriation of approved committed 2019/20 grant funding from National- and Provincial Treasury;
- Review of the capital programme with the view to reduce the City's borrowing requirement;
- Rephasing of internal funds where implementation of projects will continue in the 2021/22 and 2022/23 financial years;
- Upward/downward adjustment of revenue- and expenditure estimates based on current trends;
- The change in funding source from Capital Replacement Reserve (CRR) to Capital Grants & Donations (CGD) on projects approved by National- and Provincial Treasury as part of the 2019/20 roll-over application, which was funded from the CRR on an interim basis pending outcome of the approval process;
- The re-alignment of sundry budgetary provisions resulting from updated implementation programmes; and
- Organisational structure changes.

Further adjustment details are listed in the paragraphs below.

a. Multi-year funds shifting in relation to the capital programme

The reasons for multi-year shifting are inter alia:

- Committed 2019/20 conditional grants approved by National Treasury (NT) in terms of section 22(2) of the 2019 Division of Revenue Act (DoRA), (Act No. 16 of 2019), dated 26 October 2020;

- Committed 2019/20 conditional grants approved by Provincial Treasury (PT) in terms of Section 10 (2) of the Western Cape Appropriation Act 2019 (4 of 2019), dated 10 November 2020;

- Amendments on national funding in terms of the Division of Revenue Amendment Bill, gazette number 43660 of 28 August 2020 as well as the Division of Revenue Second Amendment Act, 2020;

- Amendments on provincial funding in terms of the Provincial Gazette Extraordinary, number 8358 of 26 November 2020;

- Review of the capital programme with the view to reduce the City's borrowing requirement;

- Administrative transfers/virements of budgetary provisions as approved in terms of Council's System of Delegations of Powers and the Virement Policy;

- Updated implementation programmes of projects funded from external sources i.e. Capital Grants & Donations (CGD) as well as internal sources i.e. Capital Replacement Reserve (CRR) and External Financing Fund (EFF). Whilst backed by approved business plans, local conditions often require amendments to implementation procedures, as agreed with donors (CGD- funded projects);

- Review and amendments to project linkages of approved 2020/21 capital projects to ensure correct alignment to programmes/routine programmes as per approved definitions; and

- Shifting of funding between the operating- and capital budget.

b. Allocations and grant adjustments

The main reasons for adjustments to capital- and operating grants and donations are listed below.

Capital grants

- Integrated City Development Grant (ICDG) (national funding) decreases by a net of R7.9 million in the 2020/21 financial year as a result of:
  - R6.4 million increase due to approved committed 2019/20 conditional allocations; and
  - R14.3 million decrease on the capital budget with a corresponding increase on the operating budget.

- ICDG (national funding) further decreases by R24.9 million and R26 million in 2021/22 and 2022/23 respectively on the capital budget with a corresponding increase on the operating budget.

- Informal Settlements Upgrading Partnership (ISUP) Grant (national funding) increases by R12.4 million as a result of:
  - R15 million increase due to approved committed 2019/20 conditional allocations; and
  - R2.6 million decrease in line with revised allocations from NT.

- Infrastructure Skills Development Grant (ISDG) (national funding) increases by R1 million on the capital budget with a corresponding decrease on the operating budget.

- Public Transport Network Grant (PTNG) (national funding) decreases by R89.1 million in the 2021/22 financial year and by R29.2 million in the 2022/23 financial years with corresponding increases on the operating budget.

- Public Transport Network - Budget Facility Infrastructure Grant (PTNG – BFI) (national funding) increases by R318.3 million as a result of approved committed 2019/20 conditional allocations.

- Cultural Affairs and Sport Grant (WCG: Sport & Rec) (provincial funding) decreases by R1 million in line with the Western Cape Government's (WCG) adjusted allocation.

- National Housing Programs Grant (State: Other) (unconditional grant) – accumulated interest - decreases by R50 000 as funds are no longer required for equipment and furniture due to staff working from home.

- Urban Settlements Development Grant (USDG) (national funding) increases by R94.1 million as a result of:
    - R45.3 million increase due to approved committed 2019/20 conditional allocations; and
    - R48.8 million increase in line with revised allocations from NT.

- Energy Efficiency & Demand Side Management Grant (EE&DSM) (national funding) increases by R125 000 on the capital budget with a corresponding decrease on the operating budget.

- Library Services: Metro Library Grant (PT Library: Metro) (provincial funding) increases by R1 million as a result of approved committed 2019/20 conditional allocations.

- Expanded Public Works Programme (EPWP) (national funding) increases by R135 851 as a result of approved committed 2019/20 conditional allocations.

- Private Sector funding (unconditional grants) decreases by R2.5 million as a result of fewer applications for new- and upgraded service connections supplies, which is customer-funded and demand driven and has been less than budgeted for.

- Neighbourhood Development Partnership Grant (NDPG) (national funding) decreases by R8.5 million in line with revised allocations from NT.

Operating grants and donations

- Public Transport Interchange & Support (PTI&S) Grant (unconditional) – accumulated interest - decreases by R76.9 million. The R88 million bridging finance for a COVID-19-related housing project is no longer required as the project will now be funded from internal funding. In addition, an upward adjustment (increase) of R11.2 million, based on the review of original plans, current requirements and realistic implementation in the time available, was effected to the following projects: Transport Enforcement Unit Officers, Rail Feasibility, IRT Phase 2 Staff, and COVID-19 MyCiTi Station Management/Transport Interchanges.

- Cape Metropolitan Transport Fund (CMTF) decreases by R13.9 million as a result of the review of the Public Integrated Transport Network- and Integrated Transport Plan projects, which took into account the estimated outcomes for the remainder of the financial year.

- Private Sector funding (unconditional grants) decreases by a net of R32.7 million:
  - National Skills Fund: A decrease of R36.98 million, due to delays in the commencement of the implementation plan as a result of limitations stemming from COVID-19 pandemic regulations. This forms part of the Cape Skills and Employment Accelerator project to create job opportunities within the City; and
  - Central Improvement District: An increase of R4.3 million for the appointment of law enforcement- and traffic officers within the Safety & Security directorate.

- Department of Environmental Affairs & Tourism funding decreases by R6.8 million, due to the reduced scope of work as well as the remaining timeline for the 2020/21 financial year. This funding relates to the Invasive Species Special project, Terrestrial Invasive Alien Plants project and Peninsula Wetland Rehabilitation project.

- Kreditanstalt für Wiederaufbau (KFW) Technical Assistance grant reduces by R15 million, due to the postponement of planned work resulting in the funding being rolled-over to the 2021/22 financial year.

- WCG grant allocations increases by R9.7 million as per Provincial Gazette Extraordinary 8358, dated 26 November 2020:
  - Health – HIV & Aids - R4.4 million: For the development and implementation of an effective response to HIV/AIDS, TB and STIs;
  - Transport Systems – Rail Safety - R2 million: To address rail asset protection and commuter security; and
  - Community Library Services Grant (conditional grant) - R3.3 million: For procurement of library material to enable communities to gain access to knowledge and information with the aim of improving their socio-economic status.

- Financial Management Capacity Building Grant reduces by R100 000 as per Provincial Gazette Extraordinary 8358, dated 26 November 2020.

- USDG increases by a net of R36.9 million, as a net result of the approved committed roll-over of R81.8 million and a reduction of R44.9 million in line with revised allocations from NT.

- ICDG increases by R16.2 million, due to the approved committed roll-over of R967 771, a refund of R891 849 from the Passenger Rail Agency of South Africa (PRASA) as well as a shift from the capital budget to the operating budget amounting to R14.3 million as the projects to be implemented are operational in nature.

- EPWP increases by R7.6 million as a result of approved committed roll-overs.

- General Budget Support (GBS) grant decreases by R187 795, due to a reduction in the provision of staff capacity as a result of the COVID-19 pandemic.

- ISDG decreases by R1.1 million as a result of a reduction of R131 000 to the original allocation (Division of Revenue Second Amendment Act, 2020) and a shift from the operating budget to the capital budget amounting to R1 million as the projects to be implemented are capital in nature.

- EE&DSM grant decreases by R125 000 with a corresponding increase on the capital budget as the projects to be implemented are capital in nature.

- NDPG decreases by R3.8 million as a result of the reduction in allocation as per the Division of Revenue Second Amendment Act, 2020.

- PTNG decreases by R44.2 million as a result of the reduction in allocation as per the Division of Revenue Second Amendment Act, 2020.

- ISUP grant increases by R1.7 million, as a net result of the approved committed roll-over of R2.9 million and reduction of R1.2 million in line with revised allocations from NT.

- Approved committed 2019/20 WCG conditional grants resulted in the following increases in 2020/21:
  - Community Development Workers (CDW) - R1.6 million
  - Resource funding for establishment and Support of a K9 Unit - R677 315
  - Law Enforcement Advancement Project Grant (LEAP) - R14 million
  - Training of Volunteers for Law Enforcement Auxiliary Services - R528 793
  - Library Conditional Grant - R1.4 million
  - Municipal Accreditation Capacity Building Grant - R2.8 million
  - Transport and Public Works (Dial-a-Ride) - R101 942
  - Settlement Assistance -R1.1 Million

- Health - Primary Health (conditional grant) decreases by R28.5 million with a corresponding increase in the Health Grant (unconditional grant).

- Human Settlements Development Grant (HSDG) increases by R63.5 million:
  - R31.5 million, due to the approved committed 2019/20 allocation from the WCG; and
  - R32 million additional allocation for the immediate response to a fire that swept through an informal settlement in Masiphumelele, which involved the settling of affected families i.e. clearing of site, providing temporary water & sanitation and temporary structures, fencing of the Wetland site and securing the site.

c. Revenue estimates adjustments - upward and downward

- A reduction of R349.9 million is proposed on Internal Loan Interest resulting from the review of originally calculated interest on assets under construction as well as the impact of the adjusted 2020/21 capital budget based on affordability and implement ability.

- An increase of R127.8 million is proposed on Interest Earned - External investments, due to interest earned on higher than anticipated cash balances resulting from slower expenditure outflows.

- A decrease of R58.6 million on various revenue items i.e. Refuse Charges, Disposal Coupon Fees, Collection Charges, and Availability Charges is proposed, based on projected under-recovery within the Solid Waste Management department. A concomitant reduction on expenditure will be effected.

- A reduction of R53.8 million is proposed on revenue within the Transport directorate, due to the loss of MyCiTi fare revenue as a result of reduced demand for services and the impact of the COVID-19 pandemic as well as wayleave permit revenue loss and parking fee revenue loss due to lower demand.

- An increase of R48.9 million on Electricity Sales and Interest Earned on Outstanding Debtors based on current and estimated trends is proposed within the Energy & Climate Change directorate. These funds will be transferred to the Capital Replacement Reserve (CRR) to fund future capital programmes within the directorate and to address the top-up requirement for Bulk Purchases budget provision based on current trends.

- An increase of R48 million on Water & Sanitation revenue is proposed as current and estimated trends are higher than anticipated.

- A reduction of R40.4 million on Internal Property Rates Charges is proposed to incorporate the correction of Council-owned properties classified as non-rateable properties as per Section 7(1) and 7(2) of the Municipal Property Rates Act (2004), which, inter alia, states that a municipality is not obliged to levy rates on its own properties.

- An increase of R32 million is proposed on Water & Sanitation Internal Service Charges based on current consumption trends.

- A reduction of R37.7 million is proposed on Electricity Internal Service Charges based on current consumption trends.

- A reduction of R9.8 million is proposed within the Spatial & Economic Development directorate on various building industry related-revenue items i.e. Building Levies, Rezoning Fees and Application Fees based on current trends and state of economy. A concomitant reduction on expenditure will be effected.

- An increase of R2 million on Property Rates, which is linked to the pilot project for the billing of unbilled rateable properties.

d. Expenditure estimates adjustments - upward and downward

- A reduction of R366 million on Salaries, Wages & Allowances (once-off savings) is proposed on Rates-funded services, due to vacancies being put on hold and the turnaround time of filling vacancies.

- A reduction of R253 million on Depreciation Charges is proposed based on current trends as well and the update to the useful life of various infrastructure assets, which reduced the actual depreciation on these assets.

- A reduction of R123.2 million on Working Capital Reserve provision within Water & Sanitation is proposed as a result of higher than projected revenue collection.

- An increase of R118 million to address expenditure relating to un-serviced informal settlements and other operational gaps within Water & Sanitation is proposed. Savings achieved from the adjusted depreciation charges will be utilised to fund these operational gaps.

- A reduction of R47 million on Non-Vacancy Provisions (Training, Non-Permanent Staff, Administration & Support Staff - once-off savings) across all directorates is proposed. The savings will be utilised to address operational gaps in various directorates.

- A reduction of R46.8 million on Asset Impairment provision within the Human Settlements directorate is proposed as current trends indicate that this expenditure item was over-provided for in the original budget.

- A reduction of R14 million on Salary provisions across various directorates relating to external grant-funded positions is proposed based on the review of operating grant-funded projects.

- The abovementioned savings will be utilised to absorb the impact of the revised support service recharges, revised internal service charges, address the impact of the reviewed revenue provisions based on current trends, to address budget requirements not known during the 2020/21 budget process, the Mayor's Visible Service Acceleration (MVSA) Programme, and to cater for financial gaps identified during the programme review. These proposals include:

  - R61.5 million within the Corporate Services directorate for the following:
    - Data Analytics staffing capacity requirements for cash and credit control initiatives by the City;
    - Operational constraints within C3PM relating to competence assessments; Contract Management Unit requirements, project construction, engineering and contract management assistance to the Human Settlements directorate; Benefits management outcome and final output model creation as well as analysis and contract management analysis;
    - Integration of Call Centres;
    - Shortfall on Corporate Legal Fees as a result of the City's exposure to legal risks;
    - Remote working expenditure requirements (i.e. connectivity charges) to enable staff to work from home; and
    - External resources requirement for detail design process relating to the Broadband Infrastructure Programme.

  - R130 million within the Human Settlements directorate for the following:
    - Repairs & Maintenance projects at Council Rental Units as per the National Housing Act and building regulations;
    - Construction of top structures as a result of grant funding not being available in the current financial year;
    - Security services budget required to ensure that City-owned land is not illegally occupied (land invasion); and
    - Demolition costs to ensure that demolitions relating to land invasions may continue for the remainder of the financial year.

- R79.3 million within the Safety & Security directorate for the following:
  - CCTV operators and maintenance of existing CCTV cameras;
  - Maintenance costs of Nayala vehicles used in volatile areas;
  - Overtime to address operational requirements relating to land invasions, protest action, and staff working overtime at Driver's License Testing Centres (DLTC) to address the backlog brought on by COVID-19 lockdown; and
  - Integrated Contact Centre linked to the EPIC project funded ex Revenue.

- R41.5 million within the Spatial Planning & Environment directorate for the following:
  - Security and surveillance operations linked to the ongoing land invasion issues at City reserves;
  - General maintenance at City reserves;
  - Coastal management projects and access point repairs; and
  - Fast tracking of catalytic projects such as the Bellville CBD, Philippi and Foreshore.

- R5.3 million within the Finance directorate for the following:
  - Additional advertising requirements;
  - Appointment of consultants for the implementation of the pilot project for the billing of unbilled rateable properties; and
  - Staffing capacity within the Supply Chain Management department.

- R34.7 million within the Economic Opportunities & Asset Management directorate for the following:
  - Business plan requirements within the Enterprise & Investment department to boost local economy recovery; and
  - Additional security services required at various facilities.

- R10.8 million within the Office of the City Manager directorate for the following:
  - Rolling out of Mayoral projects/events i.e. Community Outreach Programme, Walking Bus project, Mayoral Clean-Up Campaign, Youth Life Counts Programme, Women's Programme, Back-to-School Programme; and
  - Community and Humanitarian Relief Assistance from Mayor's Fund.

- R10 million within the Community Services & Health directorate to fund Humanitarian Relief Assistance.

- R22.4 million within the Urban Management directorate for the following:
  - Humanitarian Relief Assistance in the four districts; and
  - Mayor's Visible Service Acceleration Programme - Precinct Management.

- R25.7 million within the Transport directorate for service intervention initiatives (i.e. Pothole Repair Programme) relating to backlogs and vulnerable areas.

  - R20.4 million within the Solid Waste Management department (Rates) to address service intervention initiatives (i.e. cleaning services) in Wallacedene and Bloekombos.

- R9.3 million increase is proposed within Water & Sanitation to address service intervention initiatives (i.e. cleaning of main sewer lines, drain ponding stagnant water, replace manhole covers, pump station security, pump station fuel) in Wallacedene and Bloekombos.

- An increase of R40 million is proposed on Transfer from Housing Fund Provision (Statutory Fund) as per approval from the Provincial Minister for Human Settlements. Funding will be utilised to absorb operational expenditure requirements relating to building contractors materials, standby allowances and overtime.

- An increase of R32 million is proposed on haulage, cleansing, litter picking etc. within the Solid Waste Management department (Rates) to meet current requirements and to address service delivery requirements in un-serviced areas.

- An increase of R22.9 million is proposed on External Interest expenditure based on the refined budget provision.

- An increase of R11.6 million for the newly established City Improvement Districts (CIDS) i.e. Boston, Lower Kenilworth, Scott Estate, Baviaanskloof, and Welgemoed is proposed for inclusion in the current year's operating budget. A concomitant increase will be effected on Revenue.

- An increase of R59 million on various expenditure items (i.e. security services, standby allowances, overtime, Working Capital Reserve and Contribution to Capital Replacement Reserve) within the Energy & Climate Change directorate is proposed, due to a review of current requirements and trends. A concomitant increase will be effected on Revenue.

- Additional amendments relating to administrative transfers of budgetary provisions include the following:
  - Re-alignment of budgetary provisions between directorates due to operational requirements;
  - Budgetary shifts on various operating projects and Repairs & Maintenance provisions; and
  - Amendments on sundry expenditure items including operating projects and ward allocations, which are proposed in accordance with the Council approved System of Delegations and the Virement Policy. These transfers do not affect the total budget quantum.

Recommendations to the Council regarding the budget

Taking into consideration the reasons listed in paragraph 1.1, it is recommended that Council approves an adjustments budget.

2. Resolutions

The resolutions tabled at Council for consideration with approval of the adjustments budget are:

a. That the City's adjustment budget for the 2020/21 financial year be approved and adopted, as set out in the following tables and annexures:
   i. Operating revenue and expenditure by standard classification reflected in Table 5 on page 23.
   ii. Operating revenue and expenditure by municipal vote reflected in Table 6 on page 25.
   iii. Operating revenue by source and expenditure by type reflected in Table 7 on page 26.
   iv. Capital appropriations by vote reflected in Table 8 on page 27 and Annexure 2.1 to Annexure 2.4.
   v. Capital expenditure by standard classification reflected in Table 8 on page 27.
   vi. Capital funding by source reflected in Table 8 on page 27.
   vii. Budgeted Cash Flow statement as reflected in Table 10 on page 30.

b. That Council notes the impact of the 2020/21 adjustments budget (January 2021) on the 2021/22 and 202/23 financial years.

c. That the Cape Town International Convention Centre's (CTICC) adjustments budget for the 2020/21 financial year be approved and adopted, as set out in the following tables:
   i. Operating revenue by source and expenditure by type reflected in Table 25 on page 55.
   ii. Capital Expenditure by asset class and funding source reflected in Table 26 on page 57.

d. That the Cape Town Stadium's (CTS) budget for the 2020/21 financial year be approved and adopted, as set out in the following table:
   i. Operating revenue by source and expenditure by type reflected in Table 30 on page 62.

e. That adjustments to transfers and grants made by the City, as set out in Annexure 1.2, be approved.

f. That Council considers the projected cost covering all financial years until the project is operational as well as future operational costs and revenues on projects/programmes, to give effect to sections 19(2) and 19(3) and approve all projects and programmes so listed in Annexures 2 and 4.

g. That the amended MTREF IDP chapter for 2020/21, as set out in annexure 3, be used to update the current chapter in the approved Integrated Development Plan (IDP).

h. That individual projects with a total project cost in excess of R50 million (to give effect to section 19(1)(b), 19(2) and 19 (3) of the MFMA and regulation 13(1)(b) of the MBRR), which were previously approved as part of a programme, as set out in Annexure 4, be approved.

3. Executive Summary

3.1. General

Matters proposed for incorporation into an adjustment operating and capital budget, are listed below.

3.2. Provision of basic services

Directorates indicated that the budgetary amendments will have no detrimental impact on the provision of basic services.

3.3. Adjustment highlights

3.3.1. Adjustments made to the operating budget

Full details of proposed amendments to the 2020/21 operating budget are reflected in Annexure 1.1 to this report.

3.3.2. Adjustments to the capital budget

Details of amendments to the 2020/21 capital budget are outlined in Annexure 2.2 to this report.

Implementation progress achieved on the capital budget, when measured against planned year-to-date expenditure, for the respective funding sources at the end of the mid-year period (December 2020), are:

Funding Source	YTD Planned Spend	YTD Actual Spend	Implementation progress
Capital Replacement Reserve (CRR)	758 162 523	832 153 511	109.76%
Capital Grants & Donations (CGD)	634 416 693	558 435 053	88.02%
External Financing Fund (EFF)	1 540 599 071	1 507 816 265	97.87%
Revenue	27 742 208	9 486 352	34.19%
All funding sources (Total Budget)	**2 960 920 495**	**2 907 891 181**	**98.21%**

Table 1 Fund shifts in relation to the capital programme for 2020/21

When measuring progress against the total current capital budget, the funding sources reflect the following:

Funding Source	Budget (August 2020)	YTD Actual	Implementation progress
Capital Replacement Reserve (CRR)	1 842 867 027	832 153 511	45.16%
Capital Grants & Donations (CGD)	1 405 335 290	558 435 053	39.74%
External Financing Fund (EFF)	5 345 642 372	1 507 816 265	28.21%
Revenue	70 722 071	9 486 352	13.41%
All funding sources (Total Budget)	**8 664 566 760**	**2 907 891 181**	**33.56%**

Table 2 Implementation progress against August 2020 approved budget

Based on the aforementioned implementation rates, fund shifts in relation to the capital programme for 2020/21 are proposed as follows:

Major Fund Source R Thousand	Original Budget	Proposed Budget	Increase/ Decrease
CGD	1 405 335	1 812 397	407 062
CRR	1 842 867	1 334 372	-508 495
EFF	5 345 642	4 124 207	-1 221 436
REVENUE	70 722	107 926	37 204
TOTAL	**8 664 567**	**7 378 901**	**-1 285 666**

Table 3 Fund shifts in relation to the capital programme for 2020/21

The major increases and decreases in the 2020/21 financial year, as reflected in the tables above, are explained below.

CGD amendments

- Integrated City Development Grant (ICDG) (national funding) decreases by a net of R7.9 million in the 2020/21 financial year as a result of:
  - R6.4 million increase due to approved committed 2019/20 conditional allocations; and
  - R14.3 million decrease on the capital budget with a corresponding increase on the operating budget.

- ICDG (national funding) further decreases by R24.9 million and R26 million in 2021/22 and 2022/23 respectively on the capital budget with a corresponding increase on the operating budget.

- Informal Settlements Upgrading Partnership (ISUP) Grant (national funding) increases by R12.4 million as a result of:
  - R15 million increase due to approved committed 2019/20 conditional allocations; and
  - R2.6 million decrease in line with revised allocations from NT.

- Infrastructure Skills Development Grant (ISDG) (national funding) increases by R1 million on the capital budget with a corresponding decrease on the operating budget.

- Public Transport Network Grant (PTNG) (national funding) decreases by R89.1 million in the 2021/22 financial year and by R29.2 million in the 2022/23 financial years with corresponding increases on the operating budget.

- Public Transport Network-Budget Facility Infrastructure Grant (PTNG – BFI) (national funding) increases by R318.3 million resulting from approved committed 2019/20 conditional allocations.

- Cultural Affairs and Sport Grant (WCG: Sport & Rec) (provincial funding) decreases by R1 million in line with the WCPG's adjusted allocation.

- National Housing Programs Grant (State: Other) (unconditional grant) – accumulated interest - decreases by R50 000 as funds are no longer required for equipment and furniture due to staff working from home.

- Urban Settlements Development Grant (USDG) (national funding) increases by R94.1 million as a result of:
  - R45.3 million increase due to approved committed 2019/20 conditional allocations; and
  - R48.8 million increase in line with revised allocations from NT.

- Energy Efficiency & Demand Side Management Grant (EE&DSM) (national funding) increases by R125 000 on the capital budget with a corresponding decrease on the operating budget.

- Library Services: Metro Library Grant (PT Library: Metro) (provincial funding) increases by R1 million as a result of approved committed 2019/20 conditional allocations.

- Expanded Public Works Programme (EPWP) (national funding) increases by R135 851 as a result of approved committed 2019/20 conditional allocations.

- Private Sector funding (unconditional grants) decreases by R2.5 million as a result of fewer applications for new- and upgraded service connections supplies, which is customer-funded and demand driven and has been less than originally budgeted for.

- Neighbourhood Development Partnership Grant (NDPG) (national funding) decreases by R8.5 million in line with revised allocations from NT.

CRR amendments

- Community Services & Health directorate
  A decrease of R19.4 million is proposed, due to a change in funding source from CRR to CGD as a result of the unspent committed roll-over approval received from NT.

- Economic Opportunities & Asset Management directorate
  A decrease of R4.7 million in 2020/21 and an increase of R6.5 million in 2022/23 is proposed on the 'CHQ Ablution Facilities Upgrade' project, due to rephasing from 2020/21 to 2022/23 as a result of the contract being terminated. Additional funds are required in 2022/23 as the latest cost estimate came in higher than originally budgeted.

- Energy & Climate Change directorate
  A decrease of R130.9 million in 2020/21 and increase of R9 million in 2021/22 is proposed, mainly due to:
  - A change in funding source from CRR to CGD as a result of the unspent committed roll-over approval received from NT amounting to R9.5 million in the 2020/21 financial year.
  - As a result of uncertain economic activity, project programmes were reviewed to take into account material- and equipment availability, and contractor capacity, resulting in rephasing of R9 million from 2020/21 to 2021/22 on the following projects:
    - 132kV OH Insulator Replacement - R5 million; and
    - HV Substations - Facilities refurbishment - R4 million.
  - A review of the capital programme within the directorate taking into account material- and equipment availability, and contractor capacity, resulted a decrease of R141.5 million in the 2020/21 financial year on the following projects:

Project Description	Decrease 2020/21
Electricity Facilities	-4 000 000
Electrification	-9 235 944
MV Switchgear Refurbishment	-29 250 000
Noordhoek LV Depot	-1 000 000
Prepayment Vending System	-1 500 000
Security Equipment	-4 000 000
Street Lighting	-6 594 300
System Equipment Replacement	-84 433 034
Telecommunication Infrastructure - Additional	-1 500 000
Total	**-141 513 278**

  - Additional allocations were made to the following projects by means of reprioritisation within the directorate:

Project Description	Increase 2020/21	Motivation
Computer Equipment: Additional	2 745 546	Additional funding required to acquire additional computer equipment.
Computer Equipment: Replacement	2 500 000	Additional funding required for the replacement of the firewall equipment for the OMS system.
HV Substations	3 960 000	Departmental decision to refurbish all fire alarm systems at substations due to age and working condition.
LED Street Lighting Refurbishments	13 000 000	More areas requiring Streetlighting LED refurbishment have been identified.
Metering Replacement	3 536 999	More applications for meter replacements received than anticipated after revenue protection investigations completed.
Metering Replacement	1 500 000	Additional funding required in order to accelerate the AMI meter replacement programme.
Service Connections: Quote	1 900 000	Increase in customer driven applications for new and upgraded supplies.
Total	**29 142 545**	

- Human Settlements directorate
  A decrease of R5.3 million in 2020/21 is proposed, mainly due to:
  - A change in funding source where unspent committed roll-over approval for CDG funding of R10.2 million was received from NT resulting in a decrease in the CRR; and
  - Additional funding of R4.9 million, which is required on the 'Woodstock Upgrading project' for the detailed design and planning of infrastructure.

- Transport directorate decreases by R322.1 million, R48.3 million and R10 million in 2020/21, 2021/22 and 2022/23 respectively, mainly due to:
  - A change in funding from CRR to CGD amounting to R279.5 million in the 2020/21 financial year as a result of the unspent committed roll-over approval received from NT.
  - Rephasing of various projects due to delays in the award of the term tender, professional services tender and the MFMA Section 33 process. Budgets were aligned to latest project schedules and timeframes resulting in amendments on the following projects:

Project Description	**Increase/ Decrease 2020/21**	**Increase/ Decrease 2021/22**	**Increase/ Decrease 2022/23**
Congestion Relief - Erica Drive	-	-8 750 000	-30 100 000
Congestion Relief Projects	-4 598 584	-19 600 000	20 000 000
Dualling: Jip De Jager: Kommis - Van Riebeecks Hof	-24 600 000	-15 400 000	32 800 000
M3 Corridor: Hospital Bend-Constantia Main Road	-1 200 000	2 000 000	-18 600 000
Road Dualling:Berkley Road:M5-Ryger Street	-	-	-18 600 000
Road Upgrade: Amandel Road:Bottelary River-Church	-452 127	-19 000 000	15 000 000
Road Upgrade: Voortrekker Road: Salt River C-Jakes Gerwel Drive	-1 263 478	2 000 000	-10 500 000
Upgrading of New Eisleben Road	-10 500 000	10 500 000	-
Total	**-42 614 189**	**-48 250 000**	**-10 000 000**

- Urban Management directorate
  A decrease of R10.2 million is proposed, due to a change in funding source from CRR to CGD as a result of the unspent committed roll-over approval received from NT.

- Water & Waste directorate decreases by R16.9 million in 2020/21, mainly due to:
  - Decrease of R28.9 million, due to the change in funding source from CRR to CGD as a result of the unspent committed roll-over approval received from NT; and
  - Acquisition & Commissioning of large Generators: An increase of R12 million in 2020/21, due to the arbitration award that resulted in an additional Contract Price Adjustment (CPA) payment to be made.

- Ward Allocation projects increase by R1 012 465, due to:
  - Rephasing of R2 535 in 2020/21 for re-allocation to 2021/22; and
  - An increase on the capital budget of R1 015 000 with a corresponding decrease on the operating budget.

EFF amendments

A review of EFF-funded projects was undertaken by all directorates over the last few months in order to obtain an affordable and sustainable borrowing programme given the mounting pressure on the City's operating budget as a result of the Covid-19 pandemic as well as an implementable budget while ensuring continued service delivery.

The review included an implementation readiness assessment, which identified, inter alia, projects where procurement mechanisms were not available as originally anticipated as well as the value at risk of existing projects.

The outcome of the review led to a net reduction in EFF-funding of R1.2 billion, R849.8 million and R1.2 billion in 2020/21, 2021/22 and 2022/23 respectively across directorates as reflected in the table below.

Directorate/Department	Increase/Decrease 2020/21	Increase/Decrease 2021/22	Increase/Decrease 2022/23
Community Services & Health	-68 159 879	9 902 659	-46 629 681
Corporate Services	-37 556 988	-14 494 006	-29 721 446
Economic Opportunities & Asset Management	-221 068 642	18 607 452	-253 330 066
Energy & Climate Change	-73 078 065	-84 044 017	-235 000 000
Finance	-20 490 895	-70 111 454	66 188 546
Human Settlements	-37 027 771	-50 413 260	-56 455 342
Office of the City Manager	-590 655	-254 901	-254 901
Safety & Security	-85 084 827	49 413 868	-33 379 621
Spatial Planning & Environment	-38 020 593	-74 141 766	-109 851 464
Transport	-65 494 969	-35 507 540	136 384 775
Urban Management	-6 141 807	-17 952 885	-17 952 885
Water & Waste	-587 153 326	-598 752 550	-574 255 422
Management: Water & Waste			
Solid Waste Management	-183 014 574	-84 304 231	-113 106 812
Water & Sanitation Services	-404 138 752	-514 448 319	-461 148 610
Total	**-1 239 868 417**	**-867 748 400**	**-1 154 257 507**

- Additional allocations were made to the following directorates:
  - Community Services & Health

    Bishop Lavis Sports Ground Upgrade increases by R6.5 million in 2020/21 and R8 million in 2021/22. The construction of the Bishop Lavis Sports Ground boundary walls and associated landscaping is urgently required to prevent the ongoing onslaught of vandalism to the facility and to protect the infrastructure investments.
  - Corporate Services

    ERP Business Systems increases by R11.7 million for the procurement of 385 additional SAP licenses. The 2020 audit of the City's SAP licenses base revealed that the City is under subscribed with regards to its SAP IDM and Work Manager License types and must purchase additional SAP licenses before 30 June 2021 to remain compliant.

- Safety & Security
  Equipment - Additional FY21 increases by R200 000 for the procurement of binoculars for the gang-, rural- and marine units. Binoculars will assist in the day-to-day enforcement activities and will enable officers to observe situations from a distance allowing them to devise the best plan of approaching a potentially dangerous situation.
- Economic Opportunities & Asset Management
  CTICC 2 - Interface Structure increases by R9.9 million where the effluxion of time, delays in the implementation of the project and steel production shortages due to the COVID-19 lockdown restrictions resulted in an increase in materials costs. The construction costs have therefore increased and the implementation schedule updated with the latest cost estimates.

- The following projects in the MVSA Programme, which aims to provide a better quality of life, safety and socio economic environment of citizens in specific focus areas of high need, were reprioritised:

Directorate: Project	Proposed Budget 2020/21	Proposed Budget 2021/22
Community Services & Health	**900 000**	**-**
MVSA Kuilsriver CBD Sarepta Hall Fencing	300 000	-
MVSA Kuilsriver CBD Upgrade Sarepta Hall	600 000	-
Safety & Security	**7 172 000**	**32 950 000**
CCTV Cameras in the following areas:		
Bo-Kaap	500 000	-
Bonteheuwel	1 000 000	-
Kraaifontein CBD	1 000 000	-
Lotus Park	600 000	-
Nyanga Urban Node Upgrade	1 000 000	-
Ocean View	900 000	-
Hanover Park	-	1 500 000
Mannenberg	-	1 500 000
Parow CBD	-	2 000 000
Bellville CBD	1 000 000	-
Bishop Lavis CBD	500 000	-
Bo-Kaap	-	1 000 000
Bonteheuwel	-	1 000 000
Goodwood CBD	-	5 000 000
Harare	-	3 500 000
Kraaifontein CBD	-	1 000 000
Kuisriver CBD	-	3 000 000
Lotus Park	-	1 500 000
Mitchells Plain	-	2 000 000
Nolingile Station	-	1 500 000
Nonkqubela Station	-	1 500 000
Nyanga Urban Node Upgrade	-	2 000 000
Ocean View	-	450 000
Uitsig	-	2 000 000
Wynberg CBD	-	2 500 000
Radios FY21	672 000	-
Urban Management	**25 652 224**	**-**
Bellville Informal Trading Refuse Containers	100 000	-
Bonteheuwel Town Centre Upgrade Building	5 000 000	-
Bonteheuwel Town Centre Upgrade Fencing	1 100 000	-
Fencing of Atlantis Business Hives	1 660 000	-
Gugulethu Meat Market	3 500 000	-
Hanover Park CRU Upgrades	2 000 000	-
Kraaifontein CRU Upgrade	1 130 000	-
Lotus Park Sewer Extension	1 500 000	-
Manenberg CRU Upgrades	1 162 224	-
Mitchells Plain Town Centre Fencing	500 000	-
Monwabisi Park Community Separation Faci	2 500 000	-
Uitsig CRU Upgrade	1 500 000	-
Uitsig Security walls at CRU units	2 000 000	-
Upgrades of Informal Trading Facilities	2 000 000	-
Total	**33 724 224**	**32 950 000**

Revenue amendments

Net increases of R37.2 million, R54.7 million and R46 million in 2020/21, 2021/22 and 2022/23 respectively across the following directorates:

- Finance
  A decrease of R1 million, R1.5 million and R1.1 million in 2020/21, 2021/22 and 2022/23 respectively on the Aerial Photography programme, due to savings realised as tender specifications were based on a higher tender rate as opposed to the actual tender rate, which was much lower.

- Economic Opportunities & Asset Management
  A decrease of R932 917, due to savings realised on the FM Infrastructure FY21 programme in 2020/21.

- Safety & Security
  An increase of R43.9 million, R56.1 million and R47.1 million in 2020/21, 2021/22 and 2022/23 respectively on the following projects:
  - Integrated Contact Centre (R43.3 million, R56.1 million and R47.1 million in 2020/21, 2021/22 and 2022/23 respectively), where additional funding is required for EPIC mobile devices and printers, which will be utilised for the contravention application system.
  - Various projects (R369 230 in 2020/21), due to settlement of an insurance claim.
  - SS Contingency Provision Insurance FY21 (R250 000 in 2020/21), due to an increase in the contingency provision for insurance claims.

- Spatial Planning & Environment
  An increase of R3.3 million in 2020/21, due to a donation received from the World Wide Fund for Nature (WWF) for the purchase of land in Joostenbergskloof.

- Transport
  A decrease of R8 million in 2020/21, due to a cap of R10 million on Tender 291QR8 million, which is being transferred to the operating budget for COVID-19 related work.

- Water & Waste Services
  A decrease of R111 539 in 2020/21 as a result of a reduction in the contingency provision for insurance claims.

4. Adjustments Budget Tables – City of Cape Town

The ten primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR), are presented on page 21 to page 35. These tables reflect the City's 2020/21 adjustments budget and MTREF to be approved by Council. Each table is accompanied by explanatory notes.

Table 4: MBRR Table B1 – Adjustments Budget Summary

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance											
Property rates	10 511 519	10 511 519	–	–	–	–	13 602	13 602	10 525 121	11 555 663	12 624 126
Service charges	19 885 709	19 885 709	–	–	–	–	(12 911)	(12 911)	19 872 799	22 553 509	24 407 148
Investment revenue	847 535	847 535	–	–	–	–	128 569	128 569	976 104	879 286	911 609
Transfers recognised - operational	5 608 724	6 194 021	–	–	–	(38 539)	4 070	(34 469)	6 159 552	5 573 928	6 020 849
Other own revenue	5 371 631	5 371 631	–	–	–	–	(35 429)	(35 429)	5 336 202	5 675 976	5 923 873
Total Revenue (excluding capital transfers and contributions)	**42 225 117**	**42 810 414**	**–**	**–**	**–**	**(38 539)**	**97 902**	**59 363**	**42 869 777**	**46 238 363**	**49 887 604**
Employee costs	15 203 365	15 182 321	–	–	–	–	(306 861)	(306 861)	14 875 460	16 596 339	17 968 950
Remuneration of councillors	189 675	189 675	–	–	–	–	–	–	189 675	201 018	213 099
Depreciation & asset impairment	3 300 067	3 300 067	–	–	–	–	(449 201)	(449 201)	2 850 866	3 379 989	3 558 839
Finance charges	828 460	828 460	–	–	–	–	22 990	22 990	851 450	1 239 002	1 445 614
Materials and bulk purchases	11 590 007	11 590 312	–	–	–	(24 468)	(2 354)	(26 822)	11 563 490	12 762 025	13 816 309
Transfers and grants	498 081	548 910	–	–	–	–	3 778	3 778	552 688	435 905	383 811
Other expenditure	13 220 438	13 279 237	–	–	–	(10 271)	182 313	172 042	13 451 280	12 115 765	12 838 698
Total Expenditure	**44 830 094**	**44 918 983**	**–**	**–**	**–**	**(34 739)**	**(549 335)**	**(584 074)**	**44 334 910**	**46 730 044**	**50 225 320**
Surplus/(Deficit)	(2 604 976)	(2 108 569)	–	–	–	(3 800)	647 236	643 436	(1 465 133)	(491 681)	(337 716)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 815 828	1 337 349	–	–	–	(9 532)	419 094	409 562	1 746 911	3 245 568	3 332 526
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	189 226	189 226	–	–	–	–	6 343	6 343	195 569	194 439	226 003
Surplus/(Deficit) after capital transfers & contributions	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**
Capital expenditure & funds sources											
Capital expenditure	9 605 874	8 664 567	–	–	–	(9 532)	(1 276 134)	(1 285 666)	7 378 901	8 657 460	9 532 492
Transfers recognised - capital	2 883 814	1 405 335	–	–	–	(9 532)	416 594	407 062	1 812 397	3 198 691	3 428 035
Borrowing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Internally generated funds	4 222 060	4 759 231	–	–	–	–	807 273	807 273	5 566 504	930 577	1 104 457
Total sources of capital funds	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**
Financial position											
Total current assets	15 462 550	17 198 543	–	–	–	–	(30 326)	(30 326)	17 168 216	20 114 395	21 627 105
Total non current assets	62 552 759	61 611 451	–	–	–	–	(900 190)	(900 190)	60 711 261	66 320 654	72 660 527
Total current liabilities	9 025 173	10 801 929	–	–	–	–	(296 144)	(296 144)	10 505 785	12 329 661	13 558 137
Total non current liabilities	17 684 925	17 684 925	–	–	–	–	(3 849 239)	(3 849 239)	13 835 686	17 619 058	21 022 350
Community wealth/Equity	**51 305 210**	**50 323 139**	**–**	**–**	**–**	**(13 332)**	**3 228 198**	**3 214 866**	**53 538 005**	**56 486 331**	**59 707 145**
Cash flows											
Net cash from (used) operating	3 778 849	2 816 631	–	–	–	–	816 321	816 321	3 632 952	6 653 740	6 822 927
Net cash from (used) investing	(8 822 386)	(7 975 209)	–	–	–	–	1 156 352	1 156 352	(6 818 857)	(8 004 334)	(8 797 687)
Net cash from (used) financing	2 173 711	2 173 711	–	–	–	–	(2 558 550)	(2 558 550)	(384 839)	4 010 212	3 162 948
Cash/cash equivalents at the year end	**4 660 933**	**6 381 702**	**–**	**–**	**–**	**–**	**(585 877)**	**(585 877)**	**5 795 825**	**8 455 443**	**9 643 631**
Cash backing/surplus reconciliation											
Cash and investments available	12 535 822	14 256 591	–	–	–	–	(585 877)	(585 877)	13 670 714	16 330 332	17 518 520
Application of cash and investments	7 895 162	9 214 646	–	–	–	–	1 778 966	1 778 966	10 993 612	9 227 483	9 728 666
Balance - surplus (shortfall)	**4 640 660**	**5 041 945**	**–**	**–**	**–**	**–**	**(2 364 843)**	**(2 364 843)**	**2 677 102**	**7 102 849**	**7 789 854**
Asset Management											
Asset register summary (WDV)	56 627 881	55 686 574	–	–	–	–	(885 170)	(885 170)	54 801 404	60 078 875	66 052 528
Depreciation & asset impairment	3 300 067	3 300 067	–	–	–	–	(449 201)	(449 201)	2 850 866	3 379 989	3 558 839
Renewal and Upgrading of Existing Assets	4 931 606	4 896 898	–	–	–	(9 532)	(837 794)	(847 326)	4 049 572	4 182 873	4 540 687
Repairs and Maintenance	4 575 398	4 572 458	–	–	–	–	(522 839)	(522 839)	4 049 619	5 092 316	5 336 823
Free services											
Cost of Free Basic Services provided	1 712 590	1 712 590	–	–	–	–	65 492	65 492	1 825 037	1 888 530	2 051 279
Revenue cost of free services provided	1 272 116	1 241 212	–	–	–	–	26 288	26 288	1 272 116	1 322 907	1 376 114
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	28	-	-	-	-	-	-	-	28	27	25
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table B1 – Adjustments Budget Summary

1. Table B1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.

2. In essence it provides a synopsis of the amounts to be approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance and the City's commitment to eliminate basic service delivery backlogs.

3. The MFMA, through Section 18, requires that a budget is funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes. To test whether the City's budget is funded it is required therefore to collectively assess the financial performance, capital budget, financial position and cash flow budgets. The City's key outcomes in this regard are as follows:
   a. The City's Financial Performance section of the prescribed pro forma Table B1 shows a surplus position over the 2020/21 MTREF.
   b. The cash flow budget outcome shows that budget is funded from uncommitted, previous years' surpluses.
   c. The capital budget is funded from the following sources:
      i. Transfers recognised - capital and public contributions & donations, which are shown on the financial performance budget;
      ii. Borrowing, which is shown in the cash flow budget as part of the net cash from financing activities; and
      iii. Internally generated funds financed from previous years' accumulated surpluses, previous years' contributions to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2020/21 MTREF.

4. The City's cash backing/surplus reconciliation over the 2020/21 MTREF shows a positive outcome, which is an indication that the City's budget is funded and that the City will be able to afford its commitments over the next three years.

5. The City's persistent strive to eradicate infrastructure backlogs is evident in the annual increase of investment in the Cost of Free Basic Services and the Revenue Cost of Free Basic Services provided. Backlogs still exist for Electricity Services but are projected to reduce annually.

Table 5: MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional											
Governance and administration	**16 142 580**	**16 405 318**	**–**	**–**	**–**	**(23 367)**	**161 877**	**138 510**	**16 543 829**	**17 530 149**	**18 944 093**
Executive and council	1 348	1 348	–	–	–	–	1 584	1 584	2 932	1 363	1 380
Finance and administration	16 141 229	16 403 968	–	–	–	(23 367)	160 293	136 926	16 540 894	17 528 782	18 942 709
Internal audit	3	3	–	–	–	–	–	–	3	3	3
Community and public safety	**3 207 693**	**3 097 183**	**–**	**–**	**–**	**9 700**	**13 269**	**22 969**	**3 120 151**	**3 364 892**	**3 512 123**
Community and social services	134 928	115 723	–	–	–	3 300	2 062	5 362	121 085	131 785	155 514
Sport and recreation	54 043	45 160	–	–	–	–	3 077	3 077	48 237	60 700	60 529
Public safety	1 132 243	1 117 673	–	–	–	2 000	22 745	24 745	1 142 418	1 115 661	1 189 292
Housing	1 384 590	1 329 167	–	–	–	–	19 145	19 145	1 348 312	1 529 763	1 562 310
Health	501 889	489 459	–	–	–	4 400	(33 760)	(29 360)	460 100	526 983	544 478
Economic and environmental services	**3 358 490**	**2 250 968**	**–**	**–**	**–**	**(34 404)**	**261 102**	**226 698**	**2 477 666**	**3 618 854**	**3 817 563**
Planning and development	483 906	486 241	–	–	–	9 804	(26 368)	(16 564)	469 677	505 497	527 786
Road transport	2 836 039	1 726 182	–	–	–	(44 208)	277 474	233 266	1 959 448	3 108 979	3 285 180
Environmental protection	38 545	38 545	–	–	–	–	9 996	9 996	48 541	4 378	4 597
Trading services	**22 516 457**	**22 578 475**	**–**	**–**	**–**	**–**	**87 090**	**87 090**	**22 665 564**	**25 159 277**	**27 166 896**
Energy sources	14 252 289	14 233 495	–	–	–	–	44 688	44 688	14 278 183	15 961 972	17 244 787
Water management	4 473 233	4 487 185	–	–	–	–	186 371	186 371	4 673 556	5 128 166	5 484 538
Waste water management	2 015 133	2 081 993	–	–	–	–	(85 304)	(85 304)	1 996 689	2 172 698	2 403 201
Waste management	1 775 801	1 775 801	–	–	–	–	(58 665)	(58 665)	1 717 136	1 896 441	2 034 370
Other	**4 951**	**5 046**	**–**	**–**	**–**	**–**	**–**	**–**	**5 046**	**5 198**	**5 458**
Total Revenue - Functional	**45 230 171**	**44 336 989**	**–**	**–**	**–**	**(48 071)**	**523 338**	**475 267**	**44 812 257**	**49 678 370**	**53 446 134**
Expenditure - Functional											
Governance and administration	**10 228 608**	**10 287 439**	**–**	**–**	**–**	**(231)**	**(111 109)**	**(111 340)**	**10 176 099**	**10 482 435**	**11 313 297**
Executive and council	616 260	615 474	–	–	–	–	2 101	2 101	617 575	652 372	693 089
Finance and administration	9 558 956	9 618 573	–	–	–	(231)	(112 253)	(112 484)	9 506 089	9 770 807	10 555 988
Internal audit	53 392	53 392	–	–	–	–	(958)	(958)	52 434	59 257	64 221
Community and public safety	**8 127 027**	**8 184 239**	**–**	**–**	**–**	**9 700**	**128 661**	**138 361**	**8 322 600**	**8 259 648**	**8 792 820**
Community and social services	1 013 228	1 011 761	–	–	–	3 300	7 417	10 717	1 022 478	1 063 255	1 142 130
Sport and recreation	1 159 069	1 158 939	–	–	–	–	36 461	36 461	1 195 399	1 223 217	1 281 242
Public safety	3 162 129	3 164 350	–	–	–	2 000	(21 937)	(19 937)	3 144 413	2 993 541	3 136 145
Housing	1 391 023	1 447 540	–	–	–	–	79 254	79 254	1 526 794	1 477 770	1 614 654
Health	1 401 579	1 401 649	–	–	–	4 400	27 466	31 866	1 433 516	1 501 866	1 618 649
Economic and environmental services	**5 707 789**	**5 650 703**	**–**	**–**	**–**	**(44 208)**	**(25 091)**	**(69 299)**	**5 581 404**	**6 213 302**	**6 646 946**
Planning and development	1 375 526	1 380 333	–	–	–	–	38 011	38 011	1 418 344	1 479 673	1 539 262
Road transport	4 117 236	4 055 460	–	–	–	(44 208)	(91 280)	(135 488)	3 919 972	4 526 489	4 884 730
Environmental protection	215 027	214 909	–	–	–	–	28 179	28 179	243 088	207 141	222 953
Trading services	**20 581 635**	**20 613 011**	**–**	**–**	**–**	**–**	**(559 521)**	**(559 521)**	**20 053 490**	**21 579 633**	**23 266 579**
Energy sources	11 992 018	12 030 416	–	–	–	–	(125 652)	(125 652)	11 904 764	12 923 299	13 972 159
Water management	3 570 275	3 547 272	–	–	–	–	(207 169)	(207 169)	3 340 103	3 822 349	4 132 449
Waste water management	2 530 258	2 546 239	–	–	–	–	(122 593)	(122 593)	2 423 646	2 363 170	2 531 919
Waste management	2 489 084	2 489 084	–	–	–	–	(104 108)	(104 108)	2 384 976	2 470 815	2 630 052
Other	**185 034**	**183 591**	**–**	**–**	**–**	**–**	**17 726**	**17 726**	**201 317**	**195 025**	**205 678**
Total Expenditure - Functional	**44 830 094**	**44 918 983**	**–**	**–**	**–**	**(34 739)**	**(549 334)**	**(584 073)**	**44 334 910**	**46 730 044**	**50 225 320**
Surplus/ (Deficit) for the year	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**

Explanatory notes to MBRR Table B2 – Adjustments Budget Financial Performance (Standard classification)

1. Table B2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into fifteen functional areas.

2. The surplus of R477.3 million for 2020/21 is due to the revenue category including Capital Grants and Transfers (Capital Grants & Donations) while the expenditure category excludes these transfers.

3. This table shows that the revenue for Trading services (excluding Waste Management and Waste Water Management) exceeds its expenditure (it excludes Internal Charges). The deficit in Waste Management and Waste Water Management is absorbed within Rates Revenue.

4. Other functions within Rates show a deficit when comparing revenue and expenditure, which is financed from Rates Revenue.

Table 6: MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote											
Vote 1 - Community service & Health	1 066 078	1 255 839	–	–	–	(11 636)	(13 877)	(25 513)	1 230 326	1 067 318	1 088 145
Vote 2 - Corporate Services	57 780	57 780	–	–	–	(231)	(786)	(1 017)	56 762	60 207	63 178
Vote 3 - Economic Opportunities & Asset Managemnt	283 469	295 686	–	–	–	–	(46 982)	(46 982)	248 704	257 142	246 642
Vote 4 - Energy & Climate Change	14 028 935	14 010 141	–	–	–	–	56 243	56 243	14 066 385	15 727 450	16 998 539
Vote 5 - Finance	16 939 234	16 905 057	–	–	–	(3 800)	137 844	134 044	17 039 101	18 446 200	19 929 141
Vote 6 - Human Settlements	1 253 326	1 197 903	–	–	–	–	19 145	19 145	1 217 048	1 391 936	1 417 592
Vote 7 - Office of the City Manager	6	6	–	–	–	–	–	–	6	7	7
Vote 8 - Safety & Security	1 616 047	1 658 369	–	–	–	2 000	50 445	52 445	1 710 815	1 532 506	1 659 463
Vote 9 - Spatial Planning & Environment	187 521	187 734	–	–	–	9 804	17 822	27 626	215 360	162 619	194 909
Vote 10 - Transport	2 369 495	1 269 383	–	–	–	(44 208)	263 445	219 237	1 488 620	2 705 656	2 830 807
Vote 11 - Urban Management	275 239	265 239	–	–	–	–	13 322	13 322	278 562	312 431	338 663
Vote 12 - Water & Waste	7 153 041	7 233 852	–	–	–	–	26 717	26 717	7 260 569	8 014 900	8 679 048
Total Revenue by Vote	**45 230 171**	**44 336 989**	**–**	**–**	**–**	**(48 071)**	**523 338**	**475 267**	**44 812 257**	**49 678 370**	**53 446 134**
Expenditure by Vote											
Vote 1 - Community service & Health	4 403 961	4 395 935	–	–	–	7 700	(23 717)	(16 017)	4 379 918	4 394 063	4 709 257
Vote 2 - Corporate Services	2 061 829	2 061 638	–	–	–	(231)	69 749	69 518	2 131 156	2 373 825	2 510 379
Vote 3 - Economic Opportunities & Asset Managemnt	1 414 649	1 426 694	–	–	–	–	(3 817)	(3 817)	1 422 877	1 541 755	1 590 049
Vote 4 - Energy & Climate Change	12 412 445	12 412 274	–	–	–	–	(158 269)	(158 269)	12 254 004	13 375 675	14 457 309
Vote 5 - Finance	3 686 308	3 686 116	–	–	–	–	112 577	112 577	3 798 693	3 580 180	3 965 057
Vote 6 - Human Settlements	1 394 457	1 456 270	–	–	–	–	79 778	79 778	1 536 048	1 481 554	1 618 774
Vote 7 - Office of the City Manager	258 605	258 386	–	–	–	–	1 062	1 062	259 447	271 017	291 190
Vote 8 - Safety & Security	4 293 174	4 284 734	–	–	–	2 000	(109 680)	(107 680)	4 177 054	4 467 978	4 744 033
Vote 9 - Spatial Planning & Environment	789 228	789 270	–	–	–	–	38 697	38 697	827 966	820 513	883 828
Vote 10 - Transport	3 640 210	3 672 794	–	–	–	(44 208)	(112 819)	(157 027)	3 515 767	3 720 093	3 991 263
Vote 11 - Urban Management	1 127 346	1 127 155	–	–	–	–	22 327	22 327	1 149 482	1 246 830	1 325 415
Vote 12 - Water & Waste	9 347 882	9 347 719	–	–	–	–	(465 221)	(465 221)	8 882 498	9 456 561	10 138 765
Total Expenditure by Vote	**44 830 094**	**44 918 983**	**–**	**–**	**–**	**(34 739)**	**(549 334)**	**(584 073)**	**44 334 910**	**46 730 044**	**50 225 320**
Surplus/ (Deficit) for the year	**400 077**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**

Explanatory notes to MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

1. Table B3 shows budgeted financial performance in relation to the revenue and expenditure and the operating surplus or deficit per municipal vote.

Table 7: MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

CPT Cape Town - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/01/2021

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	10 511 519	10 511 519	–	–	–	–	13 602	13 602	10 525 121	11 555 663	12 624 126
Service charges - electricity revenue	13 789 334	13 789 334	–	–	–	–	40 360	40 360	13 829 694	15 484 526	16 740 057
Service charges - water revenue	3 194 459	3 194 459	–	–	–	–	18 407	18 407	3 212 865	3 770 788	4 098 172
Service charges - sanitation revenue	1 616 486	1 616 486	–	–	–	–	397	397	1 616 883	1 909 418	2 068 297
Service charges - refuse revenue	1 285 431	1 285 431	–	–	–	–	(72 075)	(72 075)	1 213 356	1 388 777	1 500 622
Rental of facilities and equipment	359 559	359 559	–	–	–	–	(3 794)	(3 794)	355 765	379 441	412 383
Interest earned - external investments	847 535	847 535	–	–	–	–	128 569	128 569	976 104	879 286	911 609
Interest earned - outstanding debtors	389 137	389 137	–	–	–	–	27 845	27 845	416 982	409 790	444 159
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 063 333	1 063 333	–	–	–	–	–	–	1 063 333	1 050 664	1 077 403
Licences and permits	76 875	76 875	–	–	–	–	(11 783)	(11 783)	65 092	88 002	92 411
Agency services	242 236	242 236	–	–	–	–	–	–	242 236	266 808	286 557
Transfers and subsidies	5 608 724	6 194 021	–	–	–	(38 539)	4 070	(34 469)	6 159 552	5 573 928	6 020 849
Other revenue	3 190 491	3 190 491	–	–	–	–	(51 697)	(51 697)	3 138 795	3 428 780	3 555 840
Gains	50 000	50 000	–	–	–	–	4 000	4 000	54 000	52 490	55 120
Total Revenue (excluding capital transfers and contributions)	**42 225 117**	**42 810 414**	**–**	**–**	**–**	**(38 539)**	**97 902**	**59 363**	**42 869 777**	**46 238 363**	**49 887 604**
Expenditure By Type											
Employee related costs	15 203 365	15 182 321	–	–	–	–	(306 861)	(306 861)	14 875 460	16 596 339	17 968 950
Remuneration of councillors	189 675	189 675	–	–	–	–	–	–	189 675	201 018	213 099
Debt impairment	3 640 353	3 640 353	–	–	–	–	(429 417)	(429 417)	3 210 936	2 251 087	2 360 388
Depreciation & asset impairment	3 300 067	3 300 067	–	–	–	–	(449 201)	(449 201)	2 850 866	3 379 989	3 558 839
Finance charges	828 460	828 460	–	–	–	–	22 990	22 990	851 450	1 239 002	1 445 614
Bulk purchases	9 990 881	9 990 881	–	–	–	–	2 650	2 650	9 993 531	11 092 084	12 044 044
Other materials	1 599 125	1 599 431	–	–	–	(24 468)	(5 004)	(29 472)	1 569 958	1 669 941	1 772 265
Contracted services	7 215 975	7 227 172	–	–	–	7 757	483 398	491 155	7 718 327	7 285 392	7 681 470
Transfers and subsidies	498 081	548 910	–	–	–	–	3 778	3 778	552 688	435 905	383 811
Other expenditure	2 362 108	2 409 710	–	–	–	(18 028)	128 200	110 172	2 519 883	2 577 204	2 794 675
Losses	2 002	2 002	–	–	–	–	132	132	2 134	2 082	2 166
Total Expenditure	**44 830 094**	**44 918 983**	**–**	**–**	**–**	**(34 739)**	**(549 335)**	**(584 074)**	**44 334 910**	**46 730 044**	**50 225 320**
Surplus/(Deficit)	**(2 604 976)**	**(2 108 569)**	**–**	**–**	**–**	**(3 800)**	**647 236**	**643 436**	**(1 465 133)**	**(491 681)**	**(337 716)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 815 828	1 337 349	–	–	–	(9 532)	419 094	409 562	1 746 911	3 245 568	3 332 526
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	189 226	189 226	–	–	–	–	6 343	6 343	195 569	194 439	226 003
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**
Taxation	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**400 078**	**(581 994)**	**–**	**–**	**–**	**(13 332)**	**1 072 673**	**1 059 341**	**477 347**	**2 948 326**	**3 220 814**

Explanatory notes to MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

1. Table B4 is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. Total revenue is R42 870 million (excluding appropriations, which are disclosed in the Statement of Financial Position) in 2020/21 and escalates to R49 888 million in 2022/23. Total expenditure amounts to R44 335 million in 2020/21 and escalates to R50 225 million in 2022/23.

Table 8: MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Community service & Health	453 758	443 616	–	–	–	(19 336)	(97 024)	(116 360)	327 256	322 320	188 796
Vote 2 - Corporate Services	242 020	249 968	–	–	–	–	(24 825)	(24 825)	225 143	432 287	266 973
Vote 3 - Economic Opportunities & Asset Managemnt	580 321	585 754	–	–	–	–	(226 682)	(226 682)	359 072	188 206	364 210
Vote 4 - Energy & Climate Change	1 049 131	1 049 221	–	–	–	–	(196 499)	(196 499)	852 722	968 343	921 061
Vote 5 - Finance	268 787	295 583	–	–	–	–	(21 550)	(21 550)	274 033	24 676	90 240
Vote 6 - Human Settlements	894 903	812 741	–	–	–	–	(31 733)	(31 733)	781 009	959 685	1 009 350
Vote 7 - Office of the City Manager	2 130	2 176	–	–	–	–	(591)	(591)	1 585	705	705
Vote 8 - Safety & Security	438 954	428 195	–	–	–	–	(42 508)	(42 508)	385 688	196 634	183 836
Vote 9 - Spatial Planning & Environment	157 205	158 489	–	–	–	9 804	(31 841)	(22 037)	136 452	125 172	212 157
Vote 10 - Transport	1 793 342	978 338	–	–	–	–	(60 357)	(60 357)	917 980	2 089 715	2 475 741
Vote 11 - Urban Management	81 503	84 261	–	–	–	–	(17 282)	(17 282)	66 978	110 879	123 277
Vote 12 - Water & Waste	3 643 819	3 576 224	–	–	–	–	(525 242)	(525 242)	3 050 982	3 238 837	3 696 147
Total Capital Expenditure - Vote	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**
Capital Expenditure - Functional											
Governance and administration	**1 396 272**	**1 419 440**	**–**	**–**	**–**	**(1 000)**	**(291 103)**	**(292 103)**	**1 127 337**	**1 086 508**	**1 081 058**
Executive and council	19 414	20 487	–	–	–	–	(1 604)	(1 604)	18 882	3 907	3 957
Finance and administration	1 376 447	1 398 502	–	–	–	(1 000)	(289 307)	(290 307)	1 108 195	1 082 521	1 077 022
Internal audit	411	452	–	–	–	–	(192)	(192)	260	79	79
Community and public safety	**1 745 862**	**1 668 421**	**–**	**–**	**–**	**(18 336)**	**(153 049)**	**(171 385)**	**1 497 036**	**1 247 638**	**1 259 578**
Community and social services	121 397	114 807	–	–	–	(18 336)	3 289	(15 047)	99 760	48 882	80 091
Sport and recreation	357 122	383 963	–	–	–	–	(48 240)	(48 240)	335 724	78 710	2 000
Public safety	279 623	269 213	–	–	–	–	(45 269)	(45 269)	223 944	74 711	128 836
Housing	894 903	812 741	–	–	–	–	(31 733)	(31 733)	781 009	959 685	1 009 350
Health	92 816	87 696	–	–	–	–	(31 097)	(31 097)	56 600	85 650	39 300
Economic and environmental services	**2 106 139**	**1 292 187**	**–**	**–**	**–**	**9 804**	**(125 068)**	**(115 264)**	**1 176 923**	**2 325 676**	**2 781 492**
Planning and development	112 992	115 650	–	–	–	9 804	(6 378)	3 426	119 076	110 103	142 301
Road transport	1 879 199	1 062 382	–	–	–	–	(88 014)	(88 014)	974 368	2 132 194	2 475 425
Environmental protection	113 949	114 154	–	–	–	–	(30 675)	(30 675)	83 479	83 378	163 766
Trading services	**4 338 922**	**4 265 741**	**–**	**–**	**–**	**–**	**(700 700)**	**(700 700)**	**3 565 041**	**3 987 194**	**4 407 814**
Energy sources	1 027 660	1 022 513	–	–	–	–	(192 672)	(192 672)	829 841	965 843	916 561
Water management	1 287 888	1 297 442	–	–	–	–	(6 585)	(6 585)	1 290 857	970 022	1 318 192
Waste water management	1 465 161	1 359 687	–	–	–	–	(336 470)	(336 470)	1 023 217	1 545 405	1 697 728
Waste management	558 214	586 099	–	–	–	–	(164 973)	(164 973)	421 126	505 924	475 334
Other	18 679	18 777	–	–	–	–	(6 215)	(6 215)	12 563	10 445	2 550
Total Capital Expenditure - Functional	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**
Funded by:											
National Government	2 803 382	1 323 757	–	–	–	(8 532)	418 070	409 538	1 733 295	3 120 399	3 324 021
Provincial Government	12 446	13 592	–	–	–	(1 000)	1 024	24	13 616	11 130	11 665
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	67 986	67 986	–	–	–	–	(2 500)	(2 500)	65 486	67 161	92 349
Transfers recognised - capital	**2 883 814**	**1 405 335**	**–**	**–**	**–**	**(9 532)**	**416 594**	**407 062**	**1 812 397**	**3 198 691**	**3 428 035**
Borrowing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Internally generated funds	4 222 060	4 759 231	–	–	–	–	807 273	807 273	5 566 504	930 577	1 104 457
Total Capital Funding	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**

Explanatory notes to Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

1. Table B5 reflects the City's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; and funding sources required to fund the Capital budget, including information on capital transfers from National and Provincial Departments.

2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The City has revised its multi-year appropriations to R7 379 million for 2020/21, R8 657 million in 2021/22 and R9 532 million in 2022/23.

3. The capital budget is funded from allocations in the form of grants, public contributions, donations, borrowings and internally-generated funds. Capital transfers from National Government, the Western Cape Government, and other transfers and grants and public contributions amount to R1 812 million in 2020/21, R3 199 million in 2021/22 and R3 428 million in 2022/23. Borrowings amount to zero in 2020/21, R4 528 million in 2021/22 and R5 000 million in 2022/23. Internally generated funds amounting to R5 566 million, R931 million and R1 104 million have been provided for in each of the respective financial years over the MTREF.

Table 9: MBRR Table B6 – Adjustments Budget Financial Position

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS											
Current assets											
Cash	121 758	121 758	–	–	–	–	–	–	121 758	134 904	96 396
Call investment deposits	6 505 170	8 225 939	–	–	–	–	(585 877)	(585 877)	7 640 062	9 953 956	10 814 432
Consumer debtors	6 999 547	7 014 770	–	–	–	–	662 692	662 692	7 677 462	8 087 251	8 531 410
Other debtors	1 302 932	1 302 932	–	–	–	–	(37 363)	(37 363)	1 265 569	1 455 405	1 673 715
Current portion of long-term receivables	5 594	5 594	–	–	–	–	2 931	2 931	8 526	749	94
Inventory	527 549	527 549	–	–	–	–	(72 709)	(72 709)	454 840	482 130	511 058
Total current assets	**15 462 550**	**17 198 543**	**–**	**–**	**–**	**–**	**(30 326)**	**(30 326)**	**17 168 216**	**20 114 395**	**21 627 105**
Non current assets											
Long-term receivables	15 984	15 984	–	–	–	–	(15 021)	(15 021)	963	307	307
Investments	5 908 894	5 908 894	–	–	–	–	–	–	5 908 894	6 241 472	6 607 692
Investment property	579 534	579 534	–	–	–	–	–	–	579 534	577 820	576 106
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	55 655 771	54 714 464	–	–	–	–	(939 215)	(939 215)	53 775 249	59 192 459	65 335 927
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	382 296	382 296	–	–	–	–	54 056	54 056	436 352	298 327	130 226
Other non-current assets	10 280	10 280	–	–	–	–	(11)	(11)	10 269	10 269	10 269
Total non current assets	**62 552 759**	**61 611 451**	**–**	**–**	**–**	**–**	**(900 190)**	**(900 190)**	**60 711 261**	**66 320 654**	**72 660 527**
TOTAL ASSETS	**78 015 309**	**78 809 994**	**–**	**–**	**–**	**–**	**(930 517)**	**(930 517)**	**77 879 477**	**86 435 050**	**94 287 632**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	628 487	628 487	–	–	–	–	(221 266)	(221 266)	407 221	1 732 095	2 253 626
Consumer deposits	497 264	497 264	–	–	–	–	(58 549)	(58 549)	438 715	458 895	480 005
Trade and other payables	6 602 127	8 378 883	–	–	–	–	(139 813)	(139 813)	8 239 071	8 610 213	9 151 955
Provisions	1 297 295	1 297 295	–	–	–	–	123 484	123 484	1 420 779	1 528 458	1 672 551
Total current liabilities	**9 025 173**	**10 801 929**	**–**	**–**	**–**	**–**	**(296 144)**	**(296 144)**	**10 505 785**	**12 329 661**	**13 558 137**
Non current liabilities											
Borrowing	9 784 054	9 784 054	–	–	–	–	(3 203 462)	(3 203 462)	6 580 592	9 755 034	12 407 481
Provisions	7 900 871	7 900 871	–	–	–	–	(645 777)	(645 777)	7 255 094	7 864 024	8 614 869
Total non current liabilities	**17 684 925**	**17 684 925**	**–**	**–**	**–**	**–**	**(3 849 239)**	**(3 849 239)**	**13 835 686**	**17 619 058**	**21 022 350**
TOTAL LIABILITIES	**26 710 099**	**28 486 855**	**–**	**–**	**–**	**–**	**(4 145 383)**	**(4 145 383)**	**24 341 472**	**29 948 718**	**34 580 487**
NET ASSETS	**51 305 210**	**50 323 139**	**–**	**–**	**–**	**–**	**3 214 866**	**3 214 866**	**53 538 005**	**56 486 331**	**59 707 145**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	46 737 031	46 226 796	–	–	–	(13 332)	2 370 508	2 357 176	48 583 971	51 425 714	54 459 719
Reserves	4 568 179	4 096 344	–	–	–	–	857 690	857 690	4 954 034	5 060 617	5 247 426
TOTAL COMMUNITY WEALTH/EQUITY	**51 305 210**	**50 323 139**	**–**	**–**	**–**	**(13 332)**	**3 228 198**	**3 214 866**	**53 538 005**	**56 486 331**	**59 707 145**

Explanatory notes to MBRR B6 – Adjustments Budget Financial Position

1. The budgeted Statement of Financial Position of the City has been prepared on a basis consistent with GRAP 1 and international accounting standards and as such makes it comparable with the present Statement of Financial Position and those of previous years, to enable all stakeholders to interpret the impact of the budget as such on the Statement of Financial Position.

2. The assets are in the order of relative liquidity and liabilities according to their priority of being met with cash.

3. Movements on the Budgeted Statement of Financial Performance will impact on the Budgeted Statement of Financial Position. Assumptions made on the collection rate for instance, will affect the budgeted cash position of the City and the budgeted impairment of debtors. As such the assumptions form a critical link in determining the applicability and relevance of the budget, the determination of financial indicators, the assessment of funding compliance and the general viability of the municipality.

Table 10: MBRR Table B7 – Adjustments Budget Cash Flow Statement

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	10 031 409	10 031 409	–	–	–	–	105 054	105 054	10 136 463	11 355 510	12 413 264
Service charges	18 045 505	18 045 505	–	–	–	–	319 048	319 048	18 364 553	21 666 906	23 453 709
Other revenue	4 122 832	4 001 592	–	–	–	–	(33 423)	(33 423)	3 968 169	4 459 156	4 672 666
Transfers and Subsidies - Operational	5 608 724	6 194 021	–	–	–	–	(34 469)	(34 469)	6 159 552	5 573 928	6 020 849
Transfers and Subsidies - Capital	2 815 828	1 458 589	–	–	–	–	418 405	418 405	1 876 994	3 372 845	3 466 180
Interest	847 535	847 535	–	–	–	–	128 569	128 569	976 104	879 286	911 609
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(36 939 655)	(37 008 691)	–	–	–	–	(86 864)	(86 864)	(37 095 555)	(39 676 546)	(42 644 492)
Finance charges	(753 329)	(753 329)	–	–	–	–	–	–	(753 329)	(977 345)	(1 470 857)
Transfers and Grants	–	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**3 778 849**	**2 816 631**	**–**	**–**	**–**	**–**	**816 321**	**816 321**	**3 632 952**	**6 653 740**	**6 822 927**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	117 986	117 986	–	–	–	–	1 500	1 500	119 486	119 651	147 469
Decrease (increase) in non-current receivables	3 390	3 390	–	–	–	–	(2 427)	(2 427)	963	307	307
Decrease (increase) in non-current investments	(298 475)	(298 475)	–	–	–	–	–	–	(298 475)	(332 578)	(366 220)
Payments											
Capital assets	(8 645 287)	(7 798 110)	–	–	–	–	1 157 279	1 157 279	(6 640 831)	(7 791 714)	(8 579 243)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(8 822 386)**	**(7 975 209)**	**–**	**–**	**–**	**–**	**1 156 352**	**1 156 352**	**(6 818 857)**	**(8 004 334)**	**(8 797 687)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Increase (decrease) in consumer deposits	45 206	45 206	–	–	–	–	(58 550)	(58 550)	(13 344)	20 181	21 109
Payments											
Repayment of borrowing	(371 495)	(371 495)	–	–	–	–	–	–	(371 495)	(538 161)	(1 858 161)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2 173 711**	**2 173 711**	**–**	**–**	**–**	**–**	**(2 558 550)**	**(2 558 550)**	**(384 839)**	**4 010 212**	**3 162 948**
NET INCREASE/ (DECREASE) IN CASH HELD	**(2 869 825)**	**(2 984 867)**	**–**	**–**	**–**	**–**	**(585 877)**	**(585 877)**	**(3 570 744)**	**2 659 618**	**1 188 188**
Cash/cash equivalents at the year begin:	7 530 759	9 366 569	–	–	–	–	–	–	9 366 569	5 795 825	8 455 443
Cash/cash equivalents at the year end:	4 660 933	6 381 702	–	–	–	–	(585 877)	(585 877)	5 795 825	8 455 443	9 643 631

Explanatory notes to MBRR Table B7 – Adjustments Budget Cash Flow Statement

1. The table shows the cash and cash equivalents of the City for the 2020/21 MTREF.

2. The budget has been prepared to ensure sufficient levels of cash and cash equivalents over the medium-term with cash levels anticipated to reach R5 796 million in 2020/21, R8 455 million in 2021/22 and R9 644 million by 2022/23.

Table 11: MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available											
Cash/cash equivalents at the year end	4 660 933	6 381 702	–	–	–	–	(585 877)	(585 877)	5 795 825	8 455 443	9 643 631
Other current investments > 90 days	1 965 995	1 965 995	–	–	–	–	0	0	1 965 995	1 633 417	1 267 197
Non current assets - Investments	5 908 894	5 908 894	–	–	–	–	–	–	5 908 894	6 241 472	6 607 692
Cash and investments available:	**12 535 822**	**14 256 591**	**–**	**–**	**–**	**–**	**(585 877)**	**(585 877)**	**13 670 714**	**16 330 332**	**17 518 520**
Applications of cash and investments											
Unspent conditional transfers	1 740 833	1 740 833	–	–	–	–	(241 672)	(241 672)	1 499 161	1 565 079	1 632 569
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	(2 781 235)	(989 915)	–	–	–	–	1 162 947	1 162 947	173 032	(2 146 773)	(2 322 867)
Other provisions	1 297 295	1 297 295	–	–	–	–	–	–	1 297 295	1 345 891	1 402 649
Long term investments committed	3 070 090	3 070 090	–	–	–	–	–	–	3 070 090	3 402 669	3 768 888
Reserves to be backed by cash/investments	4 568 179	4 096 344	–	–	–	–	857 690	857 690	4 954 034	5 060 617	5 247 426
Total Application of cash and investments:	**7 895 162**	**9 214 646**	**–**	**–**	**–**	**–**	**1 778 966**	**1 778 966**	**10 993 612**	**9 227 483**	**9 728 666**
Surplus(shortfall)	**4 640 660**	**5 041 945**	**–**	**–**	**–**	**–**	**(2 364 843)**	**(2 364 843)**	**2 677 102**	**7 102 849**	**7 789 854**

Explanatory notes to MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

3. As part of the budgeting and planning guidelines that informed the compilation of the 2020/21 MTREF, the end objective of the medium-term framework was to ensure the budget is funded / aligned to section 18 of the MFMA.

4. Table B8 reflects surpluses of R2 677 million in 2020/21, R7 103 million in 2021/22 and R7 789 million in 2022/23.

5. From the table it can be seen that for the City remains in a surplus net cash flow position over the 2020/21 MTREF.

6. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2020/21 MTREF is fully funded.

Table 12: MBRR Table B9 - Asset Management

Description R thousands	Budget Year 2020/21 Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2021/22 Adjusted Budget	Budget Year +2 2022/23 Adjusted Budget
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	**4 674 268**	**3 767 669**	**–**	**–**	**–**	**–**	**(438 340)**	**(438 340)**	**3 329 328**	**4 474 588**	**4 991 806**
Roads Infrastructure	*1 427 001*	*551 016*	–	–	–	–	*15 279*	*15 279*	*566 295*	*1 865 127*	*2 102 933*
Storm water Infrastructure	*152 103*	*121 973*	–	–	–	–	*3 408*	*3 408*	*125 381*	*197 415*	*174 792*
Electrical Infrastructure	*463 936*	*455 963*	–	–	–	–	*(29 299)*	*(29 299)*	*426 664*	*335 744*	*302 800*
Water Supply Infrastructure	*672 113*	*666 367*	–	–	–	–	*81 327*	*81 327*	*747 694*	*454 448*	*401 579*
Sanitation Infrastructure	*402 774*	*388 904*	–	–	–	–	*(89 613)*	*(89 613)*	*299 291*	*316 666*	*584 910*
Solid Waste Infrastructure	*400 302*	*408 401*	–	–	–	–	*(149 010)*	*(149 010)*	*259 391*	*369 260*	*368 102*
Coastal Infrastructure	*764*	*764*	–	–	–	–	*(428)*	*(428)*	*336*	*2 000*	*8 644*
Information and Communication Infrastructure	*49 363*	*49 363*	–	–	–	–	*(15 587)*	*(15 587)*	*33 775*	*69 945*	*49 921*
Infrastructure	3 568 355	2 642 751	–	–	–	–	(183 924)	(183 924)	2 458 827	3 610 604	3 993 681
Community Facilities	226 754	244 653	–	–	–	–	(31 747)	(31 747)	212 906	251 632	311 174
Sport and Recreation Facilities	1 035	2 472	–	–	–	–	–	–	2 472	4 000	–
Community Assets	227 789	247 125	–	–	–	–	(31 747)	(31 747)	215 378	255 632	311 174
Heritage Assets	30	30	–	–	–	–	–	–	30	–	–
Operational Buildings	312 591	298 341	–	–	–	–	(196 123)	(196 123)	102 218	132 625	211 406
Housing	27 414	39 860	–	–	–	–	(5 278)	(5 278)	34 582	25 466	43 715
Other Assets	340 005	338 201	–	–	–	–	(201 401)	(201 401)	136 800	158 092	255 121
Licences and Rights	27 513	27 576	–	–	–	–	(12 843)	(12 843)	14 733	20 750	79 900
Intangible Assets	27 513	27 576	–	–	–	–	(12 843)	(12 843)	14 733	20 750	79 900
Computer Equipment	142 907	148 059	–	–	–	–	(9 697)	(9 697)	138 362	180 701	167 069
Furniture and Office Equipment	159 597	161 605	–	–	–	–	35 194	35 194	196 799	162 631	114 678
Machinery and Equipment	50 358	70 626	–	–	–	–	138	138	70 764	44 078	43 158
Transport Assets	124 713	112 425	–	–	–	–	(35 951)	(35 951)	76 474	21 100	11 125
Land	33 000	19 271	–	–	–	–	1 891	1 891	21 162	21 000	15 900
Total Renewal of Existing Assets to be adjusted	**2 376 858**	**2 324 727**	**–**	**–**	**–**	**9 804**	**(289 015)**	**(279 211)**	**2 045 516**	**2 022 125**	**2 444 533**
Roads Infrastructure	*172 641*	*164 450*	–	–	–	–	*(26 612)*	*(26 612)*	*137 838*	*175 732*	*165 313*
Storm water Infrastructure	*54 608*	*55 895*	–	–	–	–	*(35 408)*	*(35 408)*	*20 488*	*22 047*	*29 304*
Electrical Infrastructure	*430 377*	*431 507*	–	–	–	–	*(134 897)*	*(134 897)*	*296 610*	*391 857*	*432 731*
Water Supply Infrastructure	*297 000*	*296 500*	–	–	–	–	*2 500*	*2 500*	*299 000*	*366 500*	*457 100*
Sanitation Infrastructure	*383 301*	*327 451*	–	–	–	–	*(42 545)*	*(42 545)*	*284 906*	*495 459*	*778 732*
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	*7 569*	*7 569*	–	–	–	–	*(1 898)*	*(1 898)*	*5 671*	*37 182*	*6 041*
Infrastructure	1 345 496	1 283 373	–	–	–	–	(238 860)	(238 860)	1 044 513	1 488 778	1 869 220
Community Facilities	31 748	29 748	–	–	–	9 804	3 415	13 219	42 967	26 832	6 715
Sport and Recreation Facilities	1 900	3 585	–	–	–	–	6 200	6 200	9 785	–	–
Community Assets	33 648	33 332	–	–	–	9 804	9 615	19 419	52 752	26 832	6 715
Heritage Assets	1 257	1 257	–	–	–	–	(355)	(355)	902	744	1 050
Operational Buildings	53 389	53 408	–	–	–	–	(14 842)	(14 842)	38 566	36 333	26 086
Housing	125 261	125 289	–	–	–	–	(15 508)	(15 508)	109 781	59 177	55 914
Other Assets	178 651	178 697	–	–	–	–	(30 350)	(30 350)	148 347	95 511	82 000
Licences and Rights	7 000	7 524	–	–	–	–	–	–	7 524	10 000	10 000
Intangible Assets	7 000	7 524	–	–	–	–	–	–	7 524	10 000	10 000
Computer Equipment	113 499	116 886	–	–	–	–	18 299	18 299	135 185	55 484	49 853
Furniture and Office Equipment	27 356	29 488	–	–	–	–	(3 735)	(3 735)	25 754	14 167	13 729
Machinery and Equipment	67 398	71 481	–	–	–	–	(35 842)	(35 842)	35 638	54 812	56 675
Transport Assets	602 555	602 689	–	–	–	–	(7 788)	(7 788)	594 901	275 798	355 291

Table continues on next page.

City of Cape Town - 2020/21 Adjustments Budget - 28 January 2021 (including additional recommendations)

Description R thousands	Budget Year 2020/21 Original Budget	Budget Year 2020/21 Prior Adjusted	Budget Year 2020/21 Accum. Funds	Budget Year 2020/21 Multi-year capital	Budget Year 2020/21 Unfore. Unavoid.	Budget Year 2020/21 Nat. or Prov. Govt	Budget Year 2020/21 Other Adjusts.	Budget Year 2020/21 Total Adjusts.	Budget Year 2020/21 Adjusted Budget	Budget Year +1 2021/22 Adjusted Budget	Budget Year +2 2022/23 Adjusted Budget
Total Upgrading of Existing Assets to be adjusted	**2 554 748**	**2 572 171**	**–**	**–**	**–**	**(19 336)**	**(548 779)**	**(568 115)**	**2 004 056**	**2 160 748**	**2 096 154**
Roads Infrastructure	*196 913*	*200 324*	–	–	–	–	*(46 673)*	*(46 673)*	*153 651*	*175 698*	*270 527*
Storm water Infrastructure	*108 747*	*108 814*	–	–	–	–	*(85 735)*	*(85 735)*	*23 079*	*107 332*	*173 821*
Electrical Infrastructure	*25 578*	*25 578*	–	–	–	–	*(18 998)*	*(18 998)*	*6 580*	*107 380*	*40 000*
Water Supply Infrastructure	*64 846*	*69 768*	–	–	–	–	*(7 954)*	*(7 954)*	*61 814*	*42 699*	*77 292*
Sanitation Infrastructure	*929 249*	*881 641*	–	–	–	–	*(169 986)*	*(169 986)*	*711 654*	*892 723*	*752 985*
Solid Waste Infrastructure	*61 724*	*71 602*	–	–	–	–	*(7 377)*	*(7 377)*	*64 225*	*61 530*	*26 230*
Coastal Infrastructure	*28 430*	*25 631*	–	–	–	–	*(16 658)*	*(16 658)*	*8 973*	*42 311*	*100 701*
Information and Communication Infrastructure	*15 954*	*15 954*	–	–	–	–	*(1 119)*	*(1 119)*	*14 835*	*72 068*	*22 782*
Infrastructure	1 431 442	1 399 312	–	–	–	–	(354 500)	(354 500)	1 044 812	1 501 741	1 464 339
Community Facilities	278 183	278 566	–	–	–	(18 336)	(52 504)	(70 840)	207 726	207 411	140 245
Sport and Recreation Facilities	343 091	351 683	–	–	–	(1 000)	(17 341)	(18 341)	333 342	69 885	43 361
Community Assets	621 273	630 249	–	–	–	(19 336)	(69 845)	(89 181)	541 068	277 296	183 606
Heritage Assets	17 466	17 466	–	–	–	–	14 572	14 572	32 038	–	–
Operational Buildings	382 205	406 376	–	–	–	–	(123 195)	(123 195)	283 180	292 459	416 819
Housing	14 410	34 118	–	–	–	–	(9 699)	(9 699)	24 419	–	13 911
Other Assets	396 615	440 493	–	–	–	–	(132 894)	(132 894)	307 600	292 459	430 730
Licences and Rights	37 351	37 600	–	–	–	–	3 578	3 578	41 178	6 152	8 850
Intangible Assets	37 351	37 600	–	–	–	–	3 578	3 578	41 178	6 152	8 850
Computer Equipment	34 200	30 634	–	–	–	–	(7 010)	(7 010)	23 624	75 849	629
Furniture and Office Equipment	6 778	6 644	–	–	–	–	258	258	6 902	5 000	5 000
Machinery and Equipment	9 623	9 772	–	–	–	–	(2 938)	(2 938)	6 834	2 250	3 000
Total Capital Expenditure to be adjusted	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**
Roads Infrastructure	*1 796 556*	*915 791*	–	–	–	–	*(58 006)*	*(58 006)*	*857 785*	*2 216 557*	*2 538 773*
Storm water Infrastructure	*315 457*	*286 682*	–	–	–	–	*(117 735)*	*(117 735)*	*168 948*	*326 793*	*377 916*
Electrical Infrastructure	*919 891*	*913 048*	–	–	–	–	*(183 195)*	*(183 195)*	*729 853*	*834 981*	*775 531*
Water Supply Infrastructure	*1 033 958*	*1 032 635*	–	–	–	–	*75 873*	*75 873*	*1 108 508*	*863 647*	*935 971*
Sanitation Infrastructure	*1 715 325*	*1 597 996*	–	–	–	–	*(302 144)*	*(302 144)*	*1 295 852*	*1 704 848*	*2 116 627*
Solid Waste Infrastructure	*462 025*	*480 003*	–	–	–	–	*(156 387)*	*(156 387)*	*323 616*	*430 790*	*394 332*
Coastal Infrastructure	*29 194*	*26 395*	–	–	–	–	*(17 086)*	*(17 086)*	*9 309*	*44 311*	*109 345*
Information and Communication Infrastructure	*72 886*	*72 886*	–	–	–	–	*(18 604)*	*(18 604)*	*54 281*	*179 195*	*78 744*
Infrastructure	6 345 292	5 325 436	–	–	–	–	(777 284)	(777 284)	4 548 152	6 601 123	7 327 240
Community Facilities	*536 685*	*552 967*	–	–	–	*(8 532)*	*(80 835)*	*(89 367)*	*463 599*	*485 875*	*458 134*
Sport and Recreation Facilities	*346 026*	*357 740*	–	–	–	*(1 000)*	*(11 141)*	*(12 141)*	*345 598*	*73 885*	*43 361*
Community Assets	882 710	910 706	–	–	–	(9 532)	(91 977)	(101 509)	809 198	559 760	501 495
Heritage Assets	18 753	18 753	–	–	–	–	14 217	14 217	32 970	744	1 050
Operational Buildings	*748 185*	*758 125*	–	–	–	–	*(334 160)*	*(334 160)*	*423 964*	*461 418*	*654 311*
Housing	*167 085*	*199 267*	–	–	–	–	*(30 484)*	*(30 484)*	*168 782*	*84 644*	*113 540*
Other Assets	915 270	957 391	–	–	–	–	(364 645)	(364 645)	592 747	546 061	767 850
Licences and Rights	*71 865*	*72 700*	–	–	–	–	*(9 265)*	*(9 265)*	*63 435*	*36 902*	*98 750*
Intangible Assets	71 865	72 700	–	–	–	–	(9 265)	(9 265)	63 435	36 902	98 750
Computer Equipment	290 606	295 580	–	–	–	–	1 592	1 592	297 171	312 034	217 551
Furniture and Office Equipment	193 731	197 738	–	–	–	–	31 717	31 717	229 455	181 798	133 407
Machinery and Equipment	127 379	151 878	–	–	–	–	(38 643)	(38 643)	113 236	101 140	102 833
Transport Assets	727 267	715 114	–	–	–	–	(43 738)	(43 738)	671 375	296 898	366 416
Land	33 000	19 271	–	–	–	–	1 891	1 891	21 162	21 000	15 900
TOTAL CAPITAL EXPENDITURE to be adjusted	**9 605 874**	**8 664 567**	**–**	**–**	**–**	**(9 532)**	**(1 276 134)**	**(1 285 666)**	**7 378 901**	**8 657 460**	**9 532 492**

Table continues on next page.

Description R thousands	Budget Year 2020/21 Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2021/22 Adjusted Budget	Budget Year +2 2022/23 Adjusted Budget
ASSET REGISTER SUMMARY - PPE (WDV)	**56 627 881**	**55 686 574**	**–**	**–**	**–**	**–**	**(885 170)**	**(885 170)**	**54 801 404**	**60 078 875**	**66 052 528**
Roads Infrastructure	11 637 380	10 755 855	–	–	–	–	(434 547)	(434 547)	10 321 308	12 074 295	14 115 091
Storm water Infrastructure	1 226 717	1 224 820	–	–	–	–	(128 595)	(128 595)	1 096 225	1 366 921	1 684 841
Electrical Infrastructure	8 335 223	8 326 625	–	–	–	–	(72 593)	(72 593)	8 254 032	8 809 451	9 282 389
Water Supply Infrastructure	5 259 875	5 230 998	–	–	–	–	352 753	352 753	5 583 751	6 115 191	6 672 802
Sanitation Infrastructure	5 564 635	5 447 052	–	–	–	–	(768 855)	(768 855)	4 678 198	6 070 902	7 823 150
Solid Waste Infrastructure	1 067 505	1 085 483	–	–	–	–	(276 595)	(276 595)	808 888	1 204 851	1 544 368
Coastal Infrastructure	168 029	165 079	–	–	–	–	(17 681)	(17 681)	147 398	185 593	288 301
Information and Communication Infrastructure	3 979 070	3 979 070	–	–	–	–	757 332	757 332	4 736 403	4 843 123	4 846 955
Infrastructure	37 238 434	36 214 982	–	–	–	–	(588 781)	(588 781)	35 626 201	40 670 327	46 257 897
Community Assets	6 859 610	6 889 795	–	–	–	–	(228 192)	(228 192)	6 661 603	6 829 308	6 928 058
Heritage Assets	10 280	10 280	–	–	–	–	(11)	(11)	10 269	10 269	10 269
Investment properties	579 534	579 534	–	–	–	–	(1)	(1)	579 533	577 820	576 106
Other Assets	6 147 824	6 191 135	–	–	–	–	(1 131 701)	(1 131 701)	5 059 434	5 320 069	5 802 519
Intangible Assets	506 711	492 171	–	–	–	–	7 616	7 616	499 787	398 664	382 064
Computer Equipment	635 029	654 083	–	–	–	–	(12 373)	(12 373)	641 710	737 625	733 438
Furniture and Office Equipment	469 108	474 624	–	–	–	–	1 991	1 991	476 616	565 078	593 719
Machinery and Equipment	495 671	502 370	–	–	–	–	7 161	7 161	509 531	486 995	469 113
Transport Assets	2 661 097	2 666 743	–	–	–	–	951 325	951 325	3 618 068	3 415 079	3 290 701
Land	1 024 585	1 010 856	–	–	–	–	107 794	107 794	1 118 650	1 067 641	1 008 644
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**56 627 881**	**55 686 574**	**–**	**–**	**–**	**–**	**(885 170)**	**(885 170)**	**54 801 404**	**60 078 875**	**66 052 528**
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	**3 300 067**	**3 300 067**	**–**	**–**	**–**	**–**	**(449 201)**	**(449 201)**	**2 850 866**	**3 379 989**	**3 558 839**
Repairs and Maintenance by asset class	**4 575 398**	**4 572 458**	**–**	**–**	**–**	**–**	**(522 839)**	**(522 839)**	**4 049 619**	**5 092 316**	**5 336 823**
Roads Infrastructure	*756 245*	*756 245*	–	–	–	–	*(183 366)*	*(183 366)*	*572 879*	*925 224*	*971 577*
Storm water Infrastructure	*126 779*	*126 779*	–	–	–	–	*(34 350)*	*(34 350)*	*92 428*	*141 528*	*148 618*
Electrical Infrastructure	*518 758*	*518 758*	–	–	–	–	*962*	*962*	*519 720*	*544 439*	*571 712*
Water Supply Infrastructure	*346 775*	*344 084*	–	–	–	–	*(3 776)*	*(3 776)*	*340 308*	*361 041*	*378 879*
Sanitation Infrastructure	*316 303*	*316 303*	–	–	–	–	*13 468*	*13 468*	*329 770*	*331 682*	*348 299*
Solid Waste Infrastructure	*7 281*	*7 281*	–	–	–	–	*1 838*	*1 838*	*9 119*	*7 639*	*8 022*
Infrastructure	2 072 140	2 069 449	–	–	–	–	(205 225)	(205 225)	1 864 224	2 311 553	2 427 108
Community Facilities	701 876	701 876	–	–	–	–	(343 053)	(343 053)	358 822	765 788	801 656
Sport and Recreation Facilities	60 013	60 013	–	–	–	–	11 379	11 379	71 392	29 272	30 738
Community Assets	761 889	761 889	–	–	–	–	(331 675)	(331 675)	430 214	795 059	832 394
Heritage Assets	2 666	2 666	–	–	–	–	(977)	(977)	1 689	3 480	3 616
Revenue Generating	338	338	–	–	–	–	(67)	(67)	271	355	373
Non-revenue Generating	17	17	–	–	–	–	(8)	(8)	9	18	18
Investment properties	355	355	–	–	–	–	(75)	(75)	280	373	391
Operational Buildings	225 448	225 448	–	–	–	–	51 931	51 931	277 379	283 789	295 325
Housing	2 937	2 937	–	–	–	–	9 970	9 970	12 907	2 956	2 976
Other Assets	228 385	228 385	–	–	–	–	61 901	61 901	290 286	286 745	298 301
Computer Equipment	458 940	458 811	–	–	–	–	(81 488)	(81 488)	377 323	509 520	532 044
Furniture and Office Equipment	568 616	568 616	–	–	–	–	111 637	111 637	680 252	653 666	684 663
Machinery and Equipment	2 512	2 512	–	–	–	–	153	153	2 665	2 632	2 758
Transport Assets	479 895	479 775	–	–	–	–	(77 089)	(77 089)	402 686	529 287	555 548
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**7 875 466**	**7 872 526**	**–**	**–**	**–**	**–**	**(972 040)**	**(972 040)**	**6 900 485**	**8 472 306**	**8 895 662**
Renewal and upgrading of Existing Assets as % of total capex	*51.3%*	*56.5%*	–	–	–	–	–	–	*54.9%*	*48.3%*	*47.6%*
Renewal and upgrading of Existing Assets as % of deprecn"	*149.4%*	*148.4%*	–	–	–	–	–	–	*142.0%*	*123.8%*	*127.6%*
R&M as a % of PPE	*8.1%*	*8.2%*	–	–	–	–	–	–	*7.4%*	*8.5%*	*8.1%*
Renewal and upgrading and R&M as a % of PPE	*16.8%*	*17.0%*	–	–	–	–	–	–	*14.8%*	*15.4%*	*15.0%*

Explanatory notes to Table B9 – Asset Management

1. Table B9 provides an overview of municipal capital allocations for new assets and renewal of existing assets, as well as spending on repairs and maintenance by asset class.

Table 13: MBRR Table B10 - Basic Service Delivery Measurement

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	1 256 146	1 256 146	-	-	-	-	-	-	1 256 146	1 280 054	1 304 676
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	174 157	174 157	-	-	-	-	-	-	174 157	177 472	180 886
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	1 430 303	1 430 303	-	-	-	-	-	-	1 430 303	1 457 526	1 485 562
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total	-	-	-	-	-	-	-	-	-	-	-
Total number of households	**1 430 303**	**1 430 303**	**-**	**-**	**-**	**-**	**-**	**-**	**1 430 303**	**1 457 526**	**1 485 562**
Sanitation/sewerage:		-									
Flush toilet (connected to sewerage)	1 331 819	1 331 819	-	-	-	-	-	-	1 331 819	1 353 699	1 378 322
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-	-	-
Chemical toilet	34 020	34 020	-	-	-	-	-	-	34 020	34 020	34 020
Pit toilet (ventilated)	197	197	-	-	-	-	-	-	197	197	197
Other toilet provisions (> min.service level)	64 267	64 267	-	-	-	-	-	-	64 267	69 610	73 024
Minimum Service Level and Above sub-total	1 430 303	1 430 303	-	-	-	-	-	-	1 430 303	1 457 526	1 485 562
Bucket toilet	-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total	-	-	-	-	-	-	-	-	-	-	-
Total number of households	**1 430 303**	**1 430 303**	**-**	**-**	**-**	**-**	**-**	**-**	**1 430 303**	**1 457 526**	**1 485 562**
Energy:		-									
Electricity (at least min. service level)	844 791	844 791	-	-	-	-	-	-	844 791	846 291	847 791
Electricity - prepaid (> min.service level)	-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	844 791	844 791	-	-	-	-	-	-	844 791	846 291	847 791
Electricity (< min.service level)	28 126	28 126	-	-	-	-	-	-	28 126	26 626	25 126
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total	28 126	28 126	-	-	-	-	-	-	28 126	26 626	25 126
Total number of households	**872 917**	**872 917**	**-**	**-**	**-**	**-**	**-**	**-**	**872 917**	**872 917**	**872 917**
Refuse:		-									
Removed at least once a week (min.service)	935 447	935 447	-	-	-	-	45 902	45 902	981 349	954 156	973 239
Minimum Service Level and Above sub-total	935 447	935 447	-	-	-	-	45 902	45 902	981 349	954 156	973 239
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total	-	-	-	-	-	-	-	-	-	-	-
Total number of households	**935 447**	**935 447**	**-**	**-**	**-**	**-**	**45 902**	**45 902**	**981 349**	**954 156**	**973 239**
Households receiving Free Basic Service		**-**									
Water (6 kilolitres per household per month)	253 851	253 851	-	-	-	-	-	-	253 851	253 851	253 851
Sanitation (free minimum level service)	253 851	253 851	-	-	-	-	-	-	253 851	253 851	253 851
Electricity/other energy (50kwh per household per month)	183 070	183 070	-	-	-	-	-	-	183 070	183 070	183 070
Refuse (removed at least once a week)	257 328	257 328	-	-	-	-	-	-	257 328	262 475	267 724
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per indigent household per month)	408 131	408 131	–	–	–	–	–	–	408 131	462 331	509 767
Sanitation (free sanitation service to indigent households)	251 148	251 148	–	–	–	–	–	–	251 148	284 500	313 690
Electricity/other energy (50kwh per indigent household per month)	133 559	133 559	–	–	–	–	(27 559)	(27 559)	106 000	141 572	150 067
Refuse (removed once a week for indigent households)	220 282	220 282	–	–	–	–	93 050	93 050	313 332	227 992	235 971
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	**699 470**	**699 470**	**–**	**–**	**–**	**–**	**–**	**–**	**746 425**	**772 134**	**841 784**
Total cost of FBS provided	**1 712 590**	**1 712 590**	**–**	**–**	**–**	**–**	**65 492**	**65 492**	**1 825 037**	**1 888 530**	**2 051 279**

Table continues on next page.

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Highest level of free service provided											
Property rates (R'000 value threshold)	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)	11	11	–	–	–	–	–	–	11	11	11
Sanitation (kilolitres per household per month)	7	7	–	–	–	–	–	–	7	7	7
Sanitation (Rand per household per month)		0									
Electricity (kw per household per month)	60	60	–	–	–	–	–	–	60	60	60
Refuse (average litres per week)	240	240	–	–	–	–	–	–	240	240	240
Revenue cost of free services provided (R'000)											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	1 241 212	1 241 212	–	–	–	–	26 288	26 288	1 267 500	1 290 613	1 342 366
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	30 904	30 904	–	–	–	–	–	–	30 904	32 294	33 748
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	**1 272 116**	**1 272 116**	**–**	**–**	**–**	**–**	**26 288**	**26 288**	**1 298 404**	**1 322 907**	**1 376 114**

Highest level of free services provided for Water & Sanitation, Electricity and Solid Waste:

- **Water**
  10.5 kℓ of water per month per indigent household, free of charge.

- **Sanitation**
  7.35 kℓ of sanitation per month per indigent household, free of charge.

- **Electricity**
  Each connection supplied by the City to properties with a municipal property value of less than and equal to R400 000 and a prepaid meter receives a monthly 60 kWh free electricity if they normally buy less than 250 kWh per month on average over a 12-month period; or 25 kWh free electricity if they normally buy between 250 and 450 kWh per month on average over a 12-month period.

- **Waste removal**
  Consumers whose properties are valued between R1 and R500 000 receive rebates between 0% and 100% on the first 240 ℓ container. Consumers who earn below R7 000 and who are registered on the Indigent Register will qualify for a rebate between 0% and 100% on the first 240 ℓ container. Customers living in Council-owned housing rental and selling schemes earning R4 500 and below will receive 100% rebate.

Explanatory notes to Table B10 – Basic Service Delivery Measurement

1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

2. The City is persistently striving to eradicate backlogs. The City's backlog status is as follows:
   a. Water – Cape Town's population, both formal and informal settlements, receives potable water in accordance with the National minimum standards as required by the Water Services Act 108 (of 1997).
   b. Sanitation – Cape Town's population, both formal and informal settlements, receives sanitation services in accordance with the National minimum standards. Funding is still provided to further improve the service levels in Informal Settlements in line with the City's strategy.
   c. Energy – The electrification strategy is to reduce the backlog by 1 500 annually.
   d. Refuse – There are no backlogs for refuse.

5. Adjustments to budget assumptions

As the 2020/21 budget was prepared with uncertainty on how the COVID-19 pandemic would affect consumers' payment behaviour, lower collection rates were predicted. The collection rate outcome for the first five months of the 2020/21 financial year however remained strong showing higher outcomes when compared to the budgeted collection rates. The 2020/21 budgeted collection rates were therefore revised as follows:

Service	2020/21 Budget - May 2020	2020/21 Budget - January 2021
Rates	90.00%	90.00%
Electricity	96.70%	98.50%
Water	82.30%	85.00%
Sanitation	82.30%	85.00%
Refuse	76.00%	85.00%

6. Adjustments to budget funding

a. Narrative summary of the impact of the adjustments budget on:

- **Funding of operating and capital expenditure**
  The Capital expenditure remains fully funded from both internal- (i.e. EFF, CRR & Revenue) and external sources (National- and Provincial Government and other public contributions).
- **Financial plans**
  The financial plan will be revisited considering the longer term effects of the adjustments.

b. Reconciliation showing that operating- and capital expenditure remain funded in accordance with MFMA section 18

See **Table 4** on page 21.

7. Adjustments related to allocations and grants to the City of Cape Town

Refer to **Allocations and grant adjustments** on page 2.

8. Adjustments to transfers and grants made by the City of Cape Town

Additional allocations to various organisations are proposed for inclusion in the 2020/21 operating budget.

Annexure 1.2 provides further details on the adjustments made.

9. Adjustments to councillor and board member allowances and employee benefits

No adjustments were made.

10. Adjustments to service delivery and budget implementation plan

Revisions to service delivery targets and performance indicators in the plan may only be made with the approval of Council following approval of an adjustments budget as per Section 54 of the MFMA. These targets will therefore be updated after the adjustment budget has been approved on 28 January 2021.

11. Adjustments to capital expenditure

Full disclosure on adjustments to the capital budget is provided in Annexures 2.1 to 2.4.

12. Future operational impact of new infrastructure

MFMA Section 19(2)(b) requires a municipal Council to consider future operational costs and revenues on capital projects, including the municipal tax and tariff implications, before approving projects individually or as part of a consolidated programme.

To give effect to this requirement, the future operational cost and revenue of projects/ programmes are reflected in Annexures 2 and 4 to the proposed adjustments budget report.

The estimated future operating impact indicated in these annexures, represents the sum of the operating expenditure of the current 3-year MTREF. This includes estimated operating expenditure in respect of salaries, contracted services (including repairs and maintenance), other general expenditure, depreciation and interest cost to be incurred in the running of the asset once operational as well as future operating revenue. The operating impacts excluding depreciation and interest charges were provided by the respective directorates (depreciation and interest charges calculated by the Finance directorate).

Directorates have confirmed that the future operating impacts (excluding interest charges and depreciation) will be absorbed on their current operating budgets over the MTREF through efficiency gains and the prioritisation of existing operational resources, which were considered during the calculation of the revenue increases for the 2020/21 MTREF.

The approved revenue increases were as follows:

Category	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity	4.83%	7.60%	8.81%
Water	4.50%	13.28%	10.26%
Sanitation	4.50%	13.28%	10.26%
Refuse	3.50%	4.00%	4.50%
Disposal	5.00%	7.50%	15.58%
Rates	Decrease of 3.96% in the rate-in-the-rand from 0.00555 to 0.005770	-	-

Operating impacts are reviewed annually and amended, where necessary, during the budget process, while taking into consideration the impacts on Rates and Tariffs to ensure future sustainability of the City overall.

Total Project Cost and projected cost covering all financial years until the project is operational

Section 19 (1)(b) of the MFMA requires that before a municipality may spend money on a capital project, the project, including the total cost, has been approved by Council.

Furthermore, Section 19(3) of the MFMA states that the municipal council may in terms of subsection 19(1)(b) approve capital projects below the value of R50 million (amount as prescribed in MBBR regulation 13(2)(c)), either individually or as part of a consolidated capital programme.

The total project cost of existing projects was reviewed by implementing directorates and amended, where required, while the estimated total project cost on any new project/programme proposed for inclusion in this adjustments budget, are included in Annexures 2 and/or 4.

Moreover, Section 19(2)(a) states that "*before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider the projected cost covering all financial years until the project is operational."* This information is also provided in Annexure 4, and submitted for approval to Council, for those projects being approved individually with a total project cost in excess of R50 million. Outer years' estimates are reviewed annually during the budget process and amended/updated in line with latest project implementation plans.

PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES – PARENT MUNICIPALITY AND ENTITIES

The consolidated tables of the City and its entities, Cape Town International Convention Centre (CTICC) and Cape Town Stadium (CTS), are presented on page 40 to page 51.

Table 14: MBRR Table B1 - Consolidated Adjustments Budget Summary

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance											
Property rates	10 511 519	10 511 519	–	–	–	–	13 602	13 602	10 525 121	11 555 663	12 624 126
Service charges	19 885 709	19 885 709	–	–	–	–	(12 911)	(12 911)	19 872 799	22 553 509	24 407 148
Investment revenue	855 610	855 610	–	–	–	–	124 158	124 158	979 768	887 846	920 683
Transfers recognised - operational	5 608 724	6 194 021	–	–	–	(38 539)	4 070	(34 469)	6 159 552	5 573 928	6 020 849
Other own revenue	5 581 541	5 581 541	–	–	–	–	(223 750)	(223 750)	5 357 791	5 991 604	6 264 934
Total Revenue (excluding capital transfers and contributions)	**42 443 103**	**43 028 400**	**–**	**–**	**–**	**(38 539)**	**(94 830)**	**(133 369)**	**42 895 031**	**46 562 551**	**50 237 739**
Employee costs	15 296 104	15 275 060	–	–	–	–	(320 655)	(320 655)	14 954 405	16 695 358	18 073 834
Remuneration of councillors	189 675	189 675	–	–	–	–	–	–	189 675	201 018	213 099
Depreciation & asset impairment	3 354 567	3 354 567	–	–	–	–	(266 483)	(266 483)	3 088 084	3 432 308	3 609 589
Finance charges	828 460	828 460	–	–	–	–	22 990	22 990	851 450	1 239 002	1 445 614
Materials and bulk purchases	11 618 742	11 619 048	–	–	–	(24 468)	(26 731)	(51 200)	11 567 848	12 802 381	13 859 228
Transfers and grants	432 364	483 192	–	–	–	–	5 902	5 902	489 094	405 986	354 515
Other expenditure	13 424 593	13 483 392	–	–	–	(10 271)	117 955	107 684	13 591 076	12 347 127	13 088 081
Total Expenditure	**45 144 504**	**45 233 394**	**–**	**–**	**–**	**(34 739)**	**(467 021)**	**(501 760)**	**44 731 633**	**47 123 180**	**50 643 959**
Surplus/(Deficit)	(2 701 402)	(2 204 994)	–	–	–	(3 800)	372 191	368 391	(1 836 603)	(560 630)	(406 220)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 815 828	1 337 349	–	–	–	(9 532)	419 094	409 562	1 746 911	3 245 568	3 332 526
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	189 226	189 226	–	–	–	–	6 343	6 343	195 569	194 439	226 003
Surplus/(Deficit) after capital transfers & contributions	**303 652**	**(678 419)**	**–**	**–**	**–**	**(13 332)**	**797 628**	**784 296**	**105 877**	**2 879 377**	**3 152 310**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**303 652**	**(678 419)**	**–**	**–**	**–**	**(13 332)**	**797 628**	**784 296**	**105 877**	**2 879 377**	**3 152 310**
Capital expenditure & funds sources											
Capital expenditure	9 681 357	8 750 630	–	–	–	(9 532)	(1 338 665)	(1 348 197)	7 402 432	8 684 054	9 604 132
Transfers recognised - capital	2 883 814	1 405 335	–	–	–	(9 532)	416 594	407 062	1 812 397	3 198 691	3 428 035
Borrowing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Internally generated funds	4 297 543	4 845 294	–	–	–	–	744 741	744 741	5 590 035	957 171	1 176 096
Total sources of capital funds	**9 681 357**	**8 750 630**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**
Financial position											
Total current assets	15 631 864	17 355 015	–	–	–	–	(51 699)	(51 699)	17 303 316	20 196 746	21 691 879
Total non current assets	62 770 615	61 839 888	–	–	–	–	825 196	825 196	62 665 084	68 118 757	74 453 799
Total current liabilities	9 124 334	10 901 090	–	–	–	–	(314 448)	(314 448)	10 586 642	12 413 461	13 718 579
Total non current liabilities	17 684 925	17 684 925	–	–	–	–	(3 849 239)	(3 849 239)	13 835 686	17 619 172	21 022 578
Community wealth/Equity	**51 593 220**	**50 608 888**	**–**	**–**	**–**	**(13 332)**	**4 950 515**	**4 937 183**	**55 546 071**	**58 282 871**	**61 404 521**

Table continues on next page.

City of Cape Town - 2020/21 Adjustments Budget - 28 January 2021 (including additional recommendations)

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash flows											
Net cash from (used) operating	3 639 662	2 677 444	–	–	–	–	663 873	663 873	3 341 316	6 513 909	6 809 211
Net cash from (used) investing	(8 897 868)	(8 061 272)	–	–	–	–	1 254 883	1 254 883	(6 806 388)	(7 866 928)	(8 869 326)
Net cash from (used) financing	2 173 711	2 173 711	–	–	–	–	(2 558 550)	(2 558 550)	(384 839)	4 010 212	3 162 948
Cash/cash equivalents at the year end	**4 620 298**	**6 330 487**	**–**	**–**	**–**	**–**	**(639 794)**	**(639 794)**	**5 690 693**	**8 347 886**	**9 450 718**
Cash backing/surplus reconciliation											
Cash and investments available	12 003 334	13 711 262	–	–	–	–	(639 794)	(639 794)	13 071 468	15 535 367	16 638 199
Application of cash and investments	7 764 660	9 084 638	–	–	–	–	1 796 794	1 796 794	10 881 433	9 137 946	9 602 565
Balance - surplus (shortfall)	**4 238 675**	**4 626 624**	**–**	**–**	**–**	**–**	**(2 436 588)**	**(2 436 588)**	**2 190 036**	**6 397 421**	**7 035 634**
Asset Management											
Asset register summary (WDV)	56 627 881	55 696 039	–	–	–	–	(947 701)	(947 701)	54 748 337	60 078 875	66 052 528
Depreciation & asset impairment	3 354 567	3 354 567	–	–	–	–	(468 294)	(468 294)	2 886 273	3 432 308	3 609 588
Renewal and Upgrading of Existing Assets	4 953 105	4 927 861	–	–	–	(9 532)	(855 704)	(865 236)	4 062 626	4 192 584	4 557 375
Repairs and Maintenance	4 619 237	4 616 297	–	–	–	–	(535 497)	(535 497)	4 080 800	5 139 829	5 388 333
Free services											
Cost of Free Basic Services provided	1 712 590	–	–	–	–	–	–	–	1 712 590	1 888 530	2 051 279
Revenue cost of free services provided	1 272 116	1 241 212	–	–	–	–	26 288	26 288	1 272 116	1 322 907	1 376 114
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	28 126	-	-	-	-	-	-	-	28 126	26 626	25 126
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Table 15: MBRR Table B2 - Consolidated Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional											
Governance and administration	**16 142 580**	**16 405 318**	**–**	**–**	**–**	**(23 367)**	**140 178**	**116 811**	**16 522 130**	**17 530 149**	**18 944 093**
Executive and council	1 348	1 348	–	–	–	–	1 584	1 584	2 932	1 363	1 380
Finance and administration	16 141 229	16 403 968	–	–	–	(23 367)	138 594	115 227	16 519 195	17 528 782	18 942 709
Internal audit	3	3	–	–	–	–	–	–	3	3	3
Community and public safety	**3 209 696**	**3 099 186**	**–**	**–**	**–**	**9 700**	**17 566**	**27 266**	**3 126 451**	**3 420 790**	**3 576 920**
Community and social services	134 928	115 723	–	–	–	3 300	2 062	5 362	121 085	131 785	155 514
Sport and recreation	56 046	47 163	–	–	–	–	7 374	7 374	54 537	116 597	125 326
Public safety	1 132 243	1 117 673	–	–	–	2 000	22 745	24 745	1 142 418	1 115 661	1 189 292
Housing	1 384 590	1 329 167	–	–	–	–	19 145	19 145	1 348 312	1 529 763	1 562 310
Health	501 889	489 459	–	–	–	4 400	(33 760)	(29 360)	460 100	526 983	544 478
Economic and environmental services	**3 358 490**	**2 250 968**	**–**	**–**	**–**	**(34 404)**	**261 102**	**226 698**	**2 477 666**	**3 618 854**	**3 817 563**
Planning and development	483 906	486 241	–	–	–	9 804	(26 368)	(16 564)	469 677	505 497	527 786
Road transport	2 836 039	1 726 182	–	–	–	(44 208)	277 474	233 266	1 959 448	3 108 979	3 285 180
Environmental protection	38 545	38 545	–	–	–	–	9 996	9 996	48 541	4 378	4 597
Trading services	**22 516 457**	**22 578 475**	**–**	**–**	**–**	**–**	**87 090**	**87 090**	**22 665 564**	**25 159 277**	**27 166 896**
Energy sources	14 252 289	14 233 495	–	–	–	–	44 688	44 688	14 278 183	15 961 972	17 244 787
Water management	4 473 233	4 487 185	–	–	–	–	186 371	186 371	4 673 556	5 128 166	5 484 538
Waste water management	2 015 133	2 081 993	–	–	–	–	(85 304)	(85 304)	1 996 689	2 172 698	2 403 201
Waste management	1 775 801	1 775 801	–	–	–	–	(58 665)	(58 665)	1 717 136	1 896 441	2 034 370
Other	**220 934**	**221 028**	**–**	**–**	**–**	**–**	**(175 329)**	**(175 329)**	**45 699**	**273 488**	**290 797**
Total Revenue - Functional	**45 448 157**	**44 554 975**	**–**	**–**	**–**	**(48 071)**	**330 607**	**282 536**	**44 837 511**	**50 002 558**	**53 796 269**
Expenditure - Functional											
Governance and administration	**10 228 608**	**10 287 439**	**–**	**–**	**–**	**(231)**	**(176 827)**	**(177 058)**	**10 110 381**	**10 482 435**	**11 313 298**
Executive and council	616 260	615 474	–	–	–	–	2 101	2 101	617 575	652 372	693 089
Finance and administration	9 558 956	9 618 573	–	–	–	(231)	(177 970)	(178 201)	9 440 372	9 770 807	10 555 988
Internal audit	53 392	53 392	–	–	–	–	(958)	(958)	52 434	59 257	64 221
Community and public safety	**8 129 031**	**8 186 242**	**–**	**–**	**–**	**9 700**	**176 977**	**186 677**	**8 372 919**	**8 315 545**	**8 857 617**
Community and social services	1 013 228	1 011 761	–	–	–	3 300	7 417	10 717	1 022 478	1 063 255	1 142 130
Sport and recreation	1 161 072	1 160 942	–	–	–	–	84 776	84 776	1 245 718	1 279 114	1 346 039
Public safety	3 162 129	3 164 350	–	–	–	2 000	(21 937)	(19 937)	3 144 413	2 993 541	3 136 145
Housing	1 391 023	1 447 540	–	–	–	–	79 254	79 254	1 526 794	1 477 770	1 614 654
Health	1 401 579	1 401 649	–	–	–	4 400	27 466	31 866	1 433 516	1 501 866	1 618 649
Economic and environmental services	**5 707 789**	**5 650 703**	**–**	**–**	**–**	**(44 208)**	**(25 091)**	**(69 299)**	**5 581 404**	**6 213 302**	**6 646 946**
Planning and development	1 375 526	1 380 333	–	–	–	–	38 011	38 011	1 418 344	1 479 673	1 539 262
Road transport	4 117 236	4 055 460	–	–	–	(44 208)	(91 280)	(135 488)	3 919 972	4 526 489	4 884 730
Environmental protection	215 027	214 909	–	–	–	–	28 179	28 179	243 088	207 141	222 953
Trading services	**20 581 635**	**20 613 011**	**–**	**–**	**–**	**–**	**(559 521)**	**(559 521)**	**20 053 490**	**21 579 633**	**23 266 579**
Energy sources	11 992 018	12 030 416	–	–	–	–	(125 652)	(125 652)	11 904 764	12 923 299	13 972 159
Water management	3 570 275	3 547 272	–	–	–	–	(207 169)	(207 169)	3 340 103	3 822 349	4 132 449
Waste water management	2 530 258	2 546 239	–	–	–	–	(122 593)	(122 593)	2 423 646	2 363 170	2 531 919
Waste management	2 489 084	2 489 084	–	–	–	–	(104 108)	(104 108)	2 384 976	2 470 815	2 630 052
Other	**471 922**	**495 999**	**–**	**–**	**–**	**–**	**117 441**	**117 441**	**613 440**	**511 463**	**538 852**
Total Expenditure - Functional	**45 118 985**	**45 233 393**	**–**	**–**	**–**	**(34 739)**	**(467 021)**	**(501 760)**	**44 731 633**	**47 102 378**	**50 623 291**
Surplus/ (Deficit) for the year	**329 172**	**(678 419)**	**–**	**–**	**–**	**(13 332)**	**797 628**	**784 296**	**105 877**	**2 900 179**	**3 172 978**

Table 16: MBRR Table B3 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote											
Vote 1 - Community service & Health	1 066 078	1 255 839	–	–	–	(11 636)	(13 877)	(25 513)	1 230 326	1 067 318	1 088 145
Vote 2 - Corporate Services	57 780	57 780	–	–	–	(231)	(786)	(1 017)	56 762	60 207	63 178
Vote 3 - Economic Opportunities & Asset Managemnt	283 469	295 686	–	–	–	–	(46 982)	(46 982)	248 704	257 142	246 642
Vote 4 - Energy & Climate Change	14 028 935	14 010 141	–	–	–	–	56 243	56 243	14 066 385	15 727 450	16 998 539
Vote 5 - Finance	16 916 402	16 905 057	–	–	–	(3 800)	116 145	112 345	17 017 402	18 420 797	19 902 465
Vote 6 - Human Settlements	1 253 326	1 197 903	–	–	–	–	19 145	19 145	1 217 048	1 391 936	1 417 592
Vote 7 - Office of the City Manager	6	6	–	–	–	–	–	–	6	7	7
Vote 8 - Safety & Security	1 616 047	1 658 369	–	–	–	2 000	50 445	52 445	1 710 815	1 532 506	1 659 463
Vote 9 - Spatial Planning & Environment	187 521	187 734	–	–	–	9 804	17 822	27 626	215 360	162 619	194 909
Vote 10 - Transport	2 369 495	1 269 383	–	–	–	(44 208)	263 445	219 237	1 488 620	2 705 656	2 830 807
Vote 11 - Urban Management	275 239	265 239	–	–	–	–	13 322	13 322	278 562	312 431	338 663
Vote 12 - Water & Waste	7 153 041	7 233 852	–	–	–	–	26 717	26 717	7 260 569	8 014 900	8 679 048
Vote 13 - Cape Town International Convention Centre	215 982	215 982	–	–	–	–	(175 329)	(175 329)	40 653	268 290	285 338
Vote 14 - Cape Town Stadium	24 836	2 003	–	–	–	–	4 297	4 297	6 300	81 301	91 473
Total Revenue by Vote	**45 448 157**	**44 554 975**	**–**	**–**	**–**	**(48 071)**	**330 607**	**282 536**	**44 837 511**	**50 002 558**	**53 796 269**
Expenditure by Vote											
Vote 1 - Community service & Health	4 403 961	4 395 935	–	–	–	7 700	(23 717)	(16 017)	4 379 918	4 394 063	4 709 257
Vote 2 - Corporate Services	2 061 829	2 061 638	–	–	–	(231)	69 749	69 518	2 131 156	2 373 825	2 510 379
Vote 3 - Economic Opportunities & Asset Managemnt	1 414 649	1 426 694	–	–	–	–	(3 817)	(3 817)	1 422 877	1 542 111	1 590 421
Vote 4 - Energy & Climate Change	12 412 445	12 412 274	–	–	–	–	(158 269)	(158 269)	12 254 004	13 375 675	14 457 309
Vote 5 - Finance	3 620 590	3 686 116	–	–	–	–	46 859	46 859	3 732 975	3 550 262	3 935 760
Vote 6 - Human Settlements	1 394 457	1 456 270	–	–	–	–	79 778	79 778	1 536 048	1 481 554	1 618 774
Vote 7 - Office of the City Manager	258 605	258 386	–	–	–	–	1 062	1 062	259 447	271 017	291 190
Vote 8 - Safety & Security	4 293 174	4 284 734	–	–	–	2 000	(109 680)	(107 680)	4 177 054	4 467 978	4 744 033
Vote 9 - Spatial Planning & Environment	789 228	789 270	–	–	–	–	38 697	38 697	827 966	820 513	883 828
Vote 10 - Transport	3 640 210	3 672 794	–	–	–	(44 208)	(112 819)	(157 027)	3 515 767	3 720 093	3 991 263
Vote 11 - Urban Management	1 127 346	1 127 155	–	–	–	–	22 327	22 327	1 149 482	1 246 474	1 325 043
Vote 12 - Water & Waste	9 347 882	9 347 719	–	–	–	–	(465 221)	(465 221)	8 882 498	9 456 561	10 138 765
Vote 13 - Cape Town International Convention Centre	286 888	312 407	–	–	–	–	99 715	99 715	412 123	316 438	333 174
Vote 14 - Cape Town Stadium	67 721	2 003	–	–	–	–	48 316	48 316	50 319	85 815	94 093
Total Expenditure by Vote	**45 118 985**	**45 233 394**	**–**	**–**	**–**	**(34 739)**	**(467 021)**	**(501 760)**	**44 731 633**	**47 102 378**	**50 623 290**
Surplus/ (Deficit) for the year	**329 172**	**(678 419)**	**–**	**–**	**–**	**(13 332)**	**797 628**	**784 296**	**105 877**	**2 900 179**	**3 172 979**

Table 17: MBRR Table B4 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure)

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	10 511 519	10 511 519	–	–	–	–	13 602	13 602	10 525 121	11 555 663	12 624 126
Service charges - electricity revenue	13 789 334	13 789 334	–	–	–	–	40 360	40 360	13 829 694	15 484 526	16 740 057
Service charges - water revenue	3 194 459	3 194 459	–	–	–	–	18 407	18 407	3 212 865	3 770 788	4 098 172
Service charges - sanitation revenue	1 616 486	1 616 486	–	–	–	–	397	397	1 616 883	1 909 418	2 068 297
Service charges - refuse revenue	1 285 431	1 285 431	–	–	–	–	(72 075)	(72 075)	1 213 356	1 388 777	1 500 622
Rental of facilities and equipment	496 894	496 894	–	–	–	–	(116 420)	(116 420)	380 475	567 355	613 565
Interest earned - external investments	855 610	855 610	–	–	–	–	124 158	124 158	979 768	887 846	920 683
Interest earned - outstanding debtors	389 137	389 137	–	–	–	–	27 845	27 845	416 982	409 790	444 159
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 063 333	1 063 333	–	–	–	–	–	–	1 063 333	1 050 664	1 077 403
Licences and permits	76 875	76 875	–	–	–	–	(11 783)	(11 783)	65 092	88 002	92 411
Agency services	242 236	242 236	–	–	–	–	–	–	242 236	266 808	286 557
Transfers and subsidies	5 608 724	6 194 021	–	–	–	(38 539)	4 070	(34 469)	6 159 552	5 573 928	6 020 849
Other revenue	3 263 066	3 263 066	–	–	–	–	(127 449)	(127 449)	3 135 617	3 556 495	3 695 719
Gains	50 000	50 000	–	–	–	–	4 057	4 057	54 057	52 490	55 120
Total Revenue (excluding capital transfers and contributions)	**42 443 103**	**43 028 400**	**–**	**–**	**–**	**(38 539)**	**(94 830)**	**(133 369)**	**42 895 031**	**46 562 551**	**50 237 739**
Expenditure By Type											
Employee related costs	15 296 104	15 275 060	–	–	–	–	(320 655)	(320 655)	14 954 405	16 695 358	18 073 834
Remuneration of councillors	189 675	189 675	–	–	–	–	–	–	189 675	201 018	213 099
Debt impairment	3 640 803	3 640 803	–	–	–	–	(429 507)	(429 507)	3 211 296	2 251 537	2 360 838
Depreciation & asset impairment	3 354 567	3 354 567	–	–	–	–	(266 483)	(266 483)	3 088 084	3 432 308	3 609 589
Finance charges	828 460	828 460	–	–	–	–	22 990	22 990	851 450	1 239 002	1 445 614
Bulk purchases	9 990 881	9 990 881	–	–	–	–	2 650	2 650	9 993 531	11 092 084	12 044 044
Other materials	1 627 861	1 628 166	–	–	–	(24 468)	(29 381)	(53 850)	1 574 317	1 710 296	1 815 184
Contracted services	7 321 891	7 333 088	–	–	–	7 757	447 931	455 688	7 788 775	7 409 157	7 815 773
Transfers and subsidies	432 364	483 192	–	–	–	–	5 902	5 902	489 094	405 986	354 515
Other expenditure	2 459 862	2 507 464	–	–	–	(18 028)	99 434	81 406	2 588 871	2 684 314	2 909 265
Losses	2 037	2 037	–	–	–	–	97	97	2 134	2 119	2 206
Total Expenditure	**45 144 504**	**45 233 394**	**–**	**–**	**–**	**(34 739)**	**(467 021)**	**(501 760)**	**44 731 633**	**47 123 180**	**50 643 959**
Surplus/(Deficit)	**(2 701 402)**	**(2 204 994)**	**–**	**–**	**–**	**(3 800)**	**372 191**	**368 391**	**(1 836 603)**	**(560 630)**	**(406 220)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 815 828	1 337 349	–	–	–	(9 532)	419 094	409 562	1 746 911	3 245 568	3 332 526
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	189 226	189 226	–	–	–	–	6 343	6 343	195 569	194 439	226 003
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**303 652**	**(678 419)**	**–**	**–**	**–**	**(13 332)**	**797 628**	**784 296**	**105 877**	**2 879 377**	**3 152 310**
Taxation	(25 520)	(25 520)	–	–	–	–	(78 492)	(78 492)	(104 011)	(20 802)	(20 668)
Surplus/(Deficit) after taxation	**329 172**	**(652 899)**	**–**	**–**	**–**	**(13 332)**	**876 120**	**862 788**	**209 889**	**2 900 180**	**3 172 978**
Attributable to minorities	(20 279)	(20 279)	–	–	–	–	(76 493)	(76 493)	(96 772)	(13 770)	(13 681)
Surplus/(Deficit) attributable to municipality	**308 893**	**(673 178)**	**–**	**–**	**–**	**(13 332)**	**799 627**	**786 295**	**113 116**	**2 886 410**	**3 159 297**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**308 893**	**(673 178)**	**–**	**–**	**–**	**(13 332)**	**799 627**	**786 295**	**113 116**	**2 886 410**	**3 159 297**

Table 18: MBRR Table B5 - Consolidated Adjustments Capital Expenditure Budget by vote and funding

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Community service & Health	453 758	443 616	–	–	–	(19 336)	(97 024)	(116 360)	327 256	322 320	188 796
Vote 2 - Corporate Services	242 020	249 968	–	–	–	–	(24 825)	(24 825)	225 143	432 287	266 973
Vote 3 - Economic Opportunities & Asset Managemnt	580 321	585 754	–	–	–	–	(226 682)	(226 682)	359 072	188 206	364 210
Vote 4 - Energy & Climate Change	1 049 131	1 049 221	–	–	–	–	(196 499)	(196 499)	852 722	968 343	921 061
Vote 5 - Finance	268 787	295 583	–	–	–	–	(21 550)	(21 550)	274 033	24 676	90 240
Vote 6 - Human Settlements	894 903	812 741	–	–	–	–	(31 733)	(31 733)	781 009	959 685	1 009 350
Vote 7 - Office of the City Manager	2 130	2 176	–	–	–	–	(591)	(591)	1 585	705	705
Vote 8 - Safety & Security	438 954	428 195	–	–	–	–	(42 508)	(42 508)	385 688	196 634	183 836
Vote 9 - Spatial Planning & Environment	157 205	158 489	–	–	–	9 804	(31 841)	(22 037)	136 452	125 172	212 157
Vote 10 - Transport	1 793 342	978 338	–	–	–	–	(60 357)	(60 357)	917 980	2 089 715	2 475 741
Vote 11 - Urban Management	81 503	84 261	–	–	–	–	(17 282)	(17 282)	66 978	110 879	123 277
Vote 12 - Water & Waste	3 643 819	3 576 224	–	–	–	–	(525 242)	(525 242)	3 050 982	3 238 837	3 696 147
Vote 13 - Cape Town International Convention Centre	75 483	86 063	–	–	–	–	(62 532)	(62 532)	23 531	26 594	71 639
Vote 14 - Cape Town Stadium	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	**9 681 357**	**8 750 630**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**
Total Capital Expenditure - Vote	**9 681 357**	**8 750 630**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**
Capital Expenditure - Functional											
Governance and administration	**1 396 272**	**1 419 440**	**–**	**–**	**–**	**(1 000)**	**(291 103)**	**(292 103)**	**1 127 337**	**1 086 508**	**1 081 058**
Executive and council	19 414	20 487	–	–	–	–	(1 604)	(1 604)	18 882	3 907	3 957
Finance and administration	1 376 447	1 398 502	–	–	–	(1 000)	(289 307)	(290 307)	1 108 195	1 082 521	1 077 022
Internal audit	411	452	–	–	–	–	(192)	(192)	260	79	79
Community and public safety	**1 745 862**	**1 668 421**	**–**	**–**	**–**	**(18 336)**	**(153 049)**	**(171 385)**	**1 497 036**	**1 247 638**	**1 259 578**
Community and social services	121 397	114 807	–	–	–	(18 336)	3 289	(15 047)	99 760	48 882	80 091
Sport and recreation	357 122	383 963	–	–	–	–	(48 240)	(48 240)	335 724	78 710	2 000
Public safety	279 623	269 213	–	–	–	–	(45 269)	(45 269)	223 944	74 711	128 836
Housing	894 903	812 741	–	–	–	–	(31 733)	(31 733)	781 009	959 685	1 009 350
Health	92 816	87 696	–	–	–	–	(31 097)	(31 097)	56 600	85 650	39 300
Economic and environmental services	**2 106 139**	**1 292 187**	**–**	**–**	**–**	**9 804**	**(125 068)**	**(115 264)**	**1 176 923**	**2 325 676**	**2 781 492**
Planning and development	112 992	115 650	–	–	–	9 804	(6 378)	3 426	119 076	110 103	142 301
Road transport	1 879 199	1 062 382	–	–	–	–	(88 014)	(88 014)	974 368	2 132 194	2 475 425
Environmental protection	113 949	114 154	–	–	–	–	(30 675)	(30 675)	83 479	83 378	163 766
Trading services	**4 338 922**	**4 265 741**	**–**	**–**	**–**	**–**	**(700 700)**	**(700 700)**	**3 565 041**	**3 987 194**	**4 407 814**
Energy sources	1 027 660	1 022 513	–	–	–	–	(192 672)	(192 672)	829 841	965 843	916 561
Water management	1 287 888	1 297 442	–	–	–	–	(6 585)	(6 585)	1 290 857	970 022	1 318 192
Waste water management	1 465 161	1 359 687	–	–	–	–	(336 470)	(336 470)	1 023 217	1 545 405	1 697 728
Waste management	558 214	586 099	–	–	–	–	(164 973)	(164 973)	421 126	505 924	475 334
Other	94 162	104 840	–	–	–	–	(68 746)	(68 746)	36 094	37 039	74 189
Total Capital Expenditure - Functional	**9 681 357**	**8 750 630**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**
Funded by:											
National Government	2 803 382	1 323 757	–	–	–	(8 532)	418 070	409 538	1 733 295	3 120 399	3 324 021
Provincial Government	12 446	13 592	–	–	–	(1 000)	1 024	24	13 616	11 130	11 665
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	67 986	67 986	–	–	–	–	(2 500)	(2 500)	65 486	67 161	92 349
Transfers recognised - capital	**2 883 814**	**1 405 335**	**–**	**–**	**–**	**(9 532)**	**416 594**	**407 062**	**1 812 397**	**3 198 691**	**3 428 035**
Borrowing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Internally generated funds	4 297 543	4 845 294	–	–	–	–	744 741	744 741	5 590 035	957 171	1 176 096
Total Capital Funding	**9 681 357**	**8 750 630**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**

Table 19: MBRR Table B6 - Consolidated Adjustments Budget Financial Position

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS											
Current assets											
Cash	121 768	121 768	–	–	–	–	(10)	(10)	121 758	134 904	96 396
Call investment deposits	6 639 523	8 347 451	–	–	–	–	(639 783)	(639 783)	7 707 668	9 968 642	10 814 432
Consumer debtors	6 999 547	7 014 770	–	–	–	–	662 692	662 692	7 677 462	8 087 251	8 531 410
Other debtors	1 333 391	1 333 391	–	–	–	–	(44 381)	(44 381)	1 289 010	1 478 519	1 693 878
Current portion of long-term receivables	7 718	7 718	–	–	–	–	42 931	42 931	50 650	42 873	42 218
Inventory	529 916	529 916	–	–	–	–	(73 148)	(73 148)	456 769	484 557	513 545
Total current assets	**15 631 864**	**17 355 015**	**–**	**–**	**–**	**–**	**(51 699)**	**(51 699)**	**17 303 316**	**20 196 746**	**21 691 879**
Non current assets											
Long-term receivables	186 787	186 787	–	–	–	–	(15 021)	(15 021)	171 766	168 986	166 862
Investments	5 242 043	5 242 043	–	–	–	–	–	–	5 242 043	5 431 821	5 798 041
Investment property	579 534	579 534	–	–	–	–	–	–	579 534	577 820	576 106
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	56 199 764	55 269 037	–	–	–	–	(1 201 493)	(1 201 493)	54 067 544	59 453 106	65 610 858
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	382 296	382 296	–	–	–	–	54 056	54 056	436 352	298 327	130 226
Other non-current assets	180 192	180 192	–	–	–	–	1 987 654	1 987 654	2 167 846	2 188 698	2 171 706
Total non current assets	**62 770 615**	**61 839 888**	**–**	**–**	**–**	**–**	**825 196**	**825 196**	**62 665 084**	**68 118 757**	**74 453 799**
TOTAL ASSETS	**78 402 479**	**79 194 903**	**–**	**–**	**–**	**–**	**773 497**	**773 497**	**79 968 400**	**88 315 504**	**96 145 679**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	70 670
Borrowing	628 487	628 487	–	–	–	–	(221 266)	(221 266)	407 221	1 732 095	2 253 626
Consumer deposits	529 964	529 964	–	–	–	–	(66 783)	(66 783)	463 181	493 231	516 057
Trade and other payables	6 663 992	8 440 748	–	–	–	–	(145 287)	(145 287)	8 295 460	8 654 621	9 200 136
Provisions	1 301 891	1 301 891	–	–	–	–	118 888	118 888	1 420 779	1 533 515	1 678 091
Total current liabilities	**9 124 334**	**10 901 090**	**–**	**–**	**–**	**–**	**(314 448)**	**(314 448)**	**10 586 642**	**12 413 461**	**13 718 579**
Non current liabilities											
Borrowing	9 784 054	9 784 054	–	–	–	–	(3 203 462)	(3 203 462)	6 580 592	9 755 034	12 407 481
Provisions	7 900 871	7 900 871	–	–	–	–	(645 777)	(645 777)	7 255 094	7 864 138	8 615 097
Total non current liabilities	**17 684 925**	**17 684 925**	**–**	**–**	**–**	**–**	**(3 849 239)**	**(3 849 239)**	**13 835 686**	**17 619 172**	**21 022 578**
TOTAL LIABILITIES	**26 809 259**	**28 586 015**	**–**	**–**	**–**	**–**	**(4 163 687)**	**(4 163 687)**	**24 422 329**	**30 032 633**	**34 741 158**
NET ASSETS	**51 593 220**	**50 608 888**	**–**	**–**	**–**	**–**	**4 937 183**	**4 937 183**	**55 546 071**	**58 282 871**	**61 404 521**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	45 747 613	45 235 116	–	–	–	(13 332)	4 056 825	4 043 493	49 278 610	51 744 826	54 679 667
Reserves	5 845 607	5 373 771	–	–	–	–	893 690	893 690	6 267 462	6 538 045	6 724 854
TOTAL COMMUNITY WEALTH/EQUITY	**51 593 220**	**50 608 888**	**–**	**–**	**–**	**(13 332)**	**4 950 515**	**4 937 183**	**55 546 071**	**58 282 871**	**61 404 521**

Table 20: MBRR Table B7 - Consolidated Adjustments Budget Cash Flow

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	10 031 409	10 031 409	–	–	–	–	105 054	105 054	10 136 463	11 355 510	12 413 264
Service charges	18 045 505	18 045 505	–	–	–	–	319 048	319 048	18 364 553	21 666 906	23 453 709
Other revenue	4 358 171	4 236 931	–	–	–	–	(225 531)	(225 531)	4 011 400	4 563 621	4 985 959
Transfers and Subsidies - Operational	5 608 724	6 194 021	–	–	–	–	(34 469)	(34 469)	6 159 552	5 603 846	6 050 145
Transfers and Subsidies - Capital	2 815 828	1 458 589	–	–	–	–	418 405	418 405	1 876 994	3 372 845	3 466 180
Interest	855 610	855 610	–	–	–	–	124 158	124 158	979 768	879 886	912 359
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(37 322 256)	(37 391 293)	–	–	–	–	(42 793)	(42 793)	(37 434 085)	(39 951 360)	(43 001 549)
Finance charges	(753 329)	(753 329)	–	–	–	–	–	–	(753 329)	(977 345)	(1 470 857)
Transfers and Grants	–	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**3 639 662**	**2 677 444**	**–**	**–**	**–**	**–**	**663 873**	**663 873**	**3 341 316**	**6 513 909**	**6 809 211**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	117 986	117 986	–	–	–	–	1 500	1 500	119 486	119 651	147 469
Decrease (increase) in non-current receivables	3 390	3 390	–	–	–	–	(2 427)	(2 427)	963	307	307
Decrease (increase) in non-current investments	(298 475)	(298 475)	–	–	–	–	36 000	36 000	(262 475)	(168 578)	(366 220)
Payments											
Capital assets	(8 720 769)	(7 884 173)	–	–	–	–	1 219 811	1 219 811	(6 664 362)	(7 818 308)	(8 650 883)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(8 897 868)**	**(8 061 272)**	**–**	**–**	**–**	**–**	**1 254 883**	**1 254 883**	**(6 806 388)**	**(7 866 928)**	**(8 869 326)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2 500 000	2 500 000	–	–	–	–	(2 500 000)	(2 500 000)	–	4 528 192	5 000 000
Increase (decrease) in consumer deposits	45 206	45 206	–	–	–	–	(58 550)	(58 550)	(13 344)	20 181	21 109
Payments											
Repayment of borrowing	(371 495)	(371 495)	–	–	–	–	–	–	(371 495)	(538 161)	(1 858 161)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2 173 711**	**2 173 711**	**–**	**–**	**–**	**–**	**(2 558 550)**	**(2 558 550)**	**(384 839)**	**4 010 212**	**3 162 948**
NET INCREASE/ (DECREASE) IN CASH HELD	**(3 084 495)**	**(3 210 117)**	**–**	**–**	**–**	**–**	**(639 794)**	**(639 794)**	**(3 849 910)**	**2 657 193**	**1 102 832**
Cash/cash equivalents at the year begin:	7 704 794	9 540 603	–	–	–	–	–	–	9 540 603	5 690 693	8 347 886
Cash/cash equivalents at the year end:	4 620 298	6 330 487	–	–	–	–	(639 794)	(639 794)	5 690 693	8 347 886	9 450 718

Table 21: MBRR Table B8 - Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available											
Cash/cash equivalents at the year end	4 620 298	6 330 487	–	–	–	–	(639 794)	(639 794)	5 690 693	8 347 886	9 450 718
Other current investments > 90 days	2 140 993	2 138 732	–	–	–	–	0	0	2 138 733	1 755 660	1 389 440
Non current assets - Investments	5 242 043	5 242 043	–	–	–	–	–	–	5 242 043	5 431 821	5 798 041
Cash and investments available:	**12 003 334**	**13 711 262**	**–**	**–**	**–**	**–**	**(639 794)**	**(639 794)**	**13 071 468**	**15 535 367**	**16 638 199**
Applications of cash and investments											
Unspent conditional transfers	1 740 833	1 740 833	–	–	–	–	(241 672)	(241 672)	1 499 161	1 565 079	1 632 569
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	(2 911 737)	(1 119 923)	–	–	–	–	1 180 776	1 180 776	60 853	(2 236 310)	(2 448 967)
Other provisions	1 297 295	1 297 295	–	–	–	–	–	–	1 297 295	1 345 891	1 402 649
Long term investments committed	3 070 090	3 070 090	–	–	–	–	–	–	3 070 090	3 402 669	3 768 888
Reserves to be backed by cash/investments	4 568 179	4 096 344	–	–	–	–	857 690	857 690	4 954 034	5 060 617	5 247 426
Total Application of cash and investments:	**7 764 660**	**9 084 638**	**–**	**–**	**–**	**–**	**1 796 794**	**1 796 794**	**10 881 433**	**9 137 946**	**9 602 565**
Surplus(shortfall)	**4 238 675**	**4 626 624**	**–**	**–**	**–**	**–**	**(2 436 588)**	**(2 436 588)**	**2 190 036**	**6 397 421**	**7 035 634**

Table 22: MBRR Table B9 - Consolidated Asset Management

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	**4 728 252**	**3 822 768**	**–**	**–**	**–**	**–**	**(482 962)**	**(482 962)**	**3 339 806**	**4 491 470**	**5 046 757**
Roads Infrastructure	*1 427 001*	*551 016*	–	–	–	–	*15 279*	*15 279*	*566 295*	*1 865 127*	*2 102 933*
Storm water Infrastructure	*152 103*	*121 973*	–	–	–	–	*3 408*	*3 408*	*125 381*	*197 415*	*174 792*
Electrical Infrastructure	*463 936*	*455 963*	–	–	–	–	*(29 299)*	*(29 299)*	*426 664*	*335 744*	*302 800*
Water Supply Infrastructure	*672 113*	*666 367*	–	–	–	–	*81 327*	*81 327*	*747 694*	*454 448*	*401 579*
Sanitation Infrastructure	*402 774*	*388 904*	–	–	–	–	*(89 613)*	*(89 613)*	*299 291*	*316 666*	*584 910*
Solid Waste Infrastructure	*400 302*	*408 401*	–	–	–	–	*(149 010)*	*(149 010)*	*259 391*	*369 260*	*368 102*
Coastal Infrastructure	*764*	*764*	–	–	–	–	*(428)*	*(428)*	*336*	*2 000*	*8 644*
Information and Communication Infrastructure	*49 363*	*49 363*	–	–	–	–	*(15 587)*	*(15 587)*	*33 775*	*69 945*	*49 921*
Infrastructure	3 568 355	2 642 751	–	–	–	–	(183 924)	(183 924)	2 458 827	3 610 604	3 993 681
Community Facilities	*226 754*	*244 653*	–	–	–	–	*(31 747)*	*(31 747)*	*212 906*	*251 632*	*311 174*
Sport and Recreation Facilities	*1 035*	*2 472*	–	–	–	–	–	–	*2 472*	*4 000*	–
Community Assets	227 789	247 125	–	–	–	–	(31 747)	(31 747)	215 378	255 632	311 174
Heritage Assets	30	30	–	–	–	–	–	–	30	–	–
Operational Buildings	*350 448*	*336 198*	–	–	–	–	*(232 568)*	*(232 568)*	*103 631*	*143 325*	*254 896*
Housing	*27 414*	*39 860*	–	–	–	–	*(5 278)*	*(5 278)*	*34 582*	*25 466*	*43 715*
Other Assets	377 862	376 058	–	–	–	–	(237 846)	(237 846)	138 213	168 792	298 611
Licences and Rights	*27 513*	*27 576*	–	–	–	–	*(12 843)*	*(12 843)*	*14 733*	*20 750*	*79 900*
Intangible Assets	27 513	27 576	–	–	–	–	(12 843)	(12 843)	14 733	20 750	79 900
Computer Equipment	156 497	161 649	–	–	–	–	(15 010)	(15 010)	146 639	185 059	174 983
Furniture and Office Equipment	161 215	163 837	–	–	–	–	33 576	33 576	197 413	163 968	115 641
Machinery and Equipment	51 277	72 047	–	–	–	–	(1 109)	(1 109)	70 938	44 566	45 742
Transport Assets	124 713	112 425	–	–	–	–	(35 951)	(35 951)	76 474	21 100	11 125
Land	33 000	19 271	–	–	–	–	1 891	1 891	21 162	21 000	15 900
Total Renewal of Existing Assets to be adjusted	**2 398 357**	**2 355 690**	**–**	**–**	**–**	**9 804**	**(306 925)**	**(297 121)**	**2 058 569**	**2 031 837**	**2 461 221**
Roads Infrastructure	*172 641*	*164 450*	–	–	–	–	*(26 612)*	*(26 612)*	*137 838*	*175 732*	*165 313*
Storm water Infrastructure	*54 608*	*55 895*	–	–	–	–	*(35 408)*	*(35 408)*	*20 488*	*22 047*	*29 304*
Electrical Infrastructure	*430 377*	*431 507*	–	–	–	–	*(134 897)*	*(134 897)*	*296 610*	*391 857*	*432 731*
Water Supply Infrastructure	*297 000*	*296 500*	–	–	–	–	*2 500*	*2 500*	*299 000*	*366 500*	*457 100*
Sanitation Infrastructure	*383 301*	*327 451*	–	–	–	–	*(42 545)*	*(42 545)*	*284 906*	*495 459*	*778 732*
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	*7 569*	*7 569*	–	–	–	–	*(1 898)*	*(1 898)*	*5 671*	*37 182*	*6 041*
Infrastructure	1 345 496	1 283 373	–	–	–	–	(238 860)	(238 860)	1 044 513	1 488 778	1 869 220
Community Facilities	*31 748*	*29 748*	–	–	–	*9 804*	*3 415*	*13 219*	*42 967*	*26 832*	*6 715*
Sport and Recreation Facilities	1 900	3 585	–	–	–	–	6 200	6 200	9 785	–	–
Community Assets	33 648	33 332	–	–	–	9 804	9 615	19 419	52 752	26 832	6 715
Heritage Assets	1 257	1 257	–	–	–	–	(355)	(355)	902	744	1 050
Operational Buildings	*57 245*	*64 157*	–	–	–	–	*(14 842)*	*(14 842)*	*49 315*	*38 579*	*28 989*
Housing	*125 261*	*125 289*	–	–	–	–	*(15 508)*	*(15 508)*	*109 781*	*59 177*	*55 914*
Other Assets	182 506	189 446	–	–	–	–	(30 350)	(30 350)	159 096	97 756	84 903
Licences and Rights	*7 000*	*7 524*	–	–	–	–	–	–	*7 524*	*10 000*	*10 000*
Intangible Assets	7 000	7 524	–	–	–	–	–	–	7 524	10 000	10 000
Computer Equipment	126 494	132 453	–	–	–	–	4 709	4 709	137 162	60 947	59 032
Furniture and Office Equipment	30 256	32 388	–	–	–	–	(6 634)	(6 634)	25 754	15 408	15 899
Machinery and Equipment	69 146	73 228	–	–	–	–	(37 263)	(37 263)	35 965	55 574	59 111
Transport Assets	602 555	602 689	–	–	–	–	(7 788)	(7 788)	594 901	275 798	355 291

Table continues on next page.

City of Cape Town - 2020/21 Adjustments Budget - 28 January 2021 (including additional recommendations)

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Total Upgrading of Existing Assets to be adjusted	**2 554 748**	**2 572 171**	**–**	**–**	**–**	**(19 336)**	**(548 779)**	**(568 115)**	**2 004 056**	**2 160 748**	**2 096 154**
Roads Infrastructure	196 913	200 324	–	–	–	–	(46 673)	(46 673)	153 651	175 698	270 527
Storm water Infrastructure	108 747	108 814	–	–	–	–	(85 735)	(85 735)	23 079	107 332	173 821
Electrical Infrastructure	25 578	25 578	–	–	–	–	(18 998)	(18 998)	6 580	107 380	40 000
Water Supply Infrastructure	64 846	69 768	–	–	–	–	(7 954)	(7 954)	61 814	42 699	77 292
Sanitation Infrastructure	929 249	881 641	–	–	–	–	(169 986)	(169 986)	711 654	892 723	752 985
Solid Waste Infrastructure	61 724	71 602	–	–	–	–	(7 377)	(7 377)	64 225	61 530	26 230
Coastal Infrastructure	28 430	25 631	–	–	–	–	(16 658)	(16 658)	8 973	42 311	100 701
Information and Communication Infrastructure	15 954	15 954	–	–	–	–	(1 119)	(1 119)	14 835	72 068	22 782
Infrastructure	1 431 442	1 399 312	–	–	–	–	(354 500)	(354 500)	1 044 812	1 501 741	1 464 339
Community Facilities	278 183	278 566	–	–	–	(18 336)	(52 504)	(70 840)	207 726	207 411	140 245
Sport and Recreation Facilities	343 091	351 683	–	–	–	(1 000)	(17 341)	(18 341)	333 342	69 885	43 361
Community Assets	621 273	630 249	–	–	–	(19 336)	(69 845)	(89 181)	541 068	277 296	183 606
Heritage Assets	17 466	17 466	–	–	–	–	14 572	14 572	32 038	–	–
Operational Buildings	382 205	406 376	–	–	–	–	(123 195)	(123 195)	283 180	292 459	416 819
Housing	14 410	34 118	–	–	–	–	(9 699)	(9 699)	24 419	–	13 911
Other Assets	396 615	440 493	–	–	–	–	(132 894)	(132 894)	307 600	292 459	430 730
Licences and Rights	37 351	37 600	–	–	–	–	3 578	3 578	41 178	6 152	8 850
Intangible Assets	37 351	37 600	–	–	–	–	3 578	3 578	41 178	6 152	8 850
Computer Equipment	34 200	30 634	–	–	–	–	(7 010)	(7 010)	23 624	75 849	629
Furniture and Office Equipment	6 778	6 644	–	–	–	–	258	258	6 902	5 000	5 000
Machinery and Equipment	9 623	9 772	–	–	–	–	(2 938)	(2 938)	6 834	2 250	3 000
Total Capital Expenditure to be adjusted	9 681 357	8 750 629	–	–	–	(9 532)	(1 338 665)	(1 348 197)	7 402 432	8 684 054	9 604 132
Roads Infrastructure	1 796 556	915 791	–	–	–	–	(58 006)	(58 006)	857 785	2 216 557	2 538 773
Storm water Infrastructure	315 457	286 682	–	–	–	–	(117 735)	(117 735)	168 948	326 793	377 916
Electrical Infrastructure	919 891	913 048	–	–	–	–	(183 195)	(183 195)	729 853	834 981	775 531
Water Supply Infrastructure	1 033 958	1 032 635	–	–	–	–	75 873	75 873	1 108 508	863 647	935 971
Sanitation Infrastructure	1 715 325	1 597 996	–	–	–	–	(302 144)	(302 144)	1 295 852	1 704 848	2 116 627
Solid Waste Infrastructure	462 025	480 003	–	–	–	–	(156 387)	(156 387)	323 616	430 790	394 332
Coastal Infrastructure	29 194	26 395	–	–	–	–	(17 086)	(17 086)	9 309	44 311	109 345
Information and Communication Infrastructure	72 886	72 886	–	–	–	–	(18 604)	(18 604)	54 281	179 195	78 744
Infrastructure	6 345 292	5 325 436	–	–	–	–	(777 284)	(777 284)	4 548 152	6 601 123	7 327 240
Community Facilities	536 685	552 967	–	–	–	(8 532)	(80 835)	(89 367)	463 599	485 875	458 134
Sport and Recreation Facilities	346 026	357 740	–	–	–	(1 000)	(11 141)	(12 141)	345 598	73 885	43 361
Community Assets	882 710	910 706	–	–	–	(9 532)	(91 977)	(101 509)	809 198	559 760	501 495
Heritage Assets	18 753	18 753	–	–	–	–	14 217	14 217	32 970	744	1 050
Operational Buildings	789 897	806 731	–	–	–	–	(370 605)	(370 605)	436 126	474 364	700 703
Housing	167 085	199 267	–	–	–	–	(30 484)	(30 484)	168 782	84 644	113 540
Other Assets	956 982	1 005 998	–	–	–	–	(401 089)	(401 089)	604 909	559 007	814 243
Licences and Rights	71 865	72 700	–	–	–	–	(9 265)	(9 265)	63 435	36 902	98 750
Intangible Assets	71 865	72 700	–	–	–	–	(9 265)	(9 265)	63 435	36 902	98 750
Computer Equipment	317 192	324 737	–	–	–	–	(17 311)	(17 311)	307 426	321 855	234 645
Furniture and Office Equipment	198 249	202 869	–	–	–	–	27 200	27 200	230 069	184 376	136 540
Machinery and Equipment	130 046	155 046	–	–	–	–	(41 309)	(41 309)	113 737	102 390	107 853
Transport Assets	727 267	715 114	–	–	–	–	(43 738)	(43 738)	671 375	296 898	366 416
Land	33 000	19 271	–	–	–	–	1 891	1 891	21 162	21 000	15 900
TOTAL CAPITAL EXPENDITURE to be adjusted	**9 681 357**	**8 750 629**	**–**	**–**	**–**	**(9 532)**	**(1 338 665)**	**(1 348 197)**	**7 402 432**	**8 684 054**	**9 604 132**

Table continues on next page.

City of Cape Town - 2020/21 Adjustments Budget - 28 January 2021 (including additional recommendations)

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSET REGISTER SUMMARY - PPE (WDV)	**56 627 881**	**55 696 039**	**–**	**–**	**–**	**–**	**(947 701)**	**(947 701)**	**54 748 337**	**60 078 875**	**66 052 528**
Roads Infrastructure	11 637 380	10 755 855	–	–	–	–	(434 547)	(434 547)	10 321 308	12 074 295	14 115 091
Storm water Infrastructure	1 226 717	1 224 820	–	–	–	–	(128 595)	(128 595)	1 096 225	1 366 921	1 684 841
Electrical Infrastructure	8 335 223	8 326 625	–	–	–	–	(72 593)	(72 593)	8 254 032	8 809 451	9 282 389
Water Supply Infrastructure	5 259 875	5 230 998	–	–	–	–	352 753	352 753	5 583 751	6 115 191	6 672 802
Sanitation Infrastructure	5 564 635	5 447 052	–	–	–	–	(768 855)	(768 855)	4 678 198	6 070 902	7 823 150
Solid Waste Infrastructure	1 067 505	1 085 483	–	–	–	–	(276 595)	(276 595)	808 888	1 204 851	1 544 368
Coastal Infrastructure	168 029	165 079	–	–	–	–	(17 681)	(17 681)	147 398	185 593	288 301
Information and Communication Infrastructure	3 979 070	3 979 070	–	–	–	–	757 332	757 332	4 736 403	4 843 123	4 846 955
Infrastructure	37 238 434	36 214 982	–	–	–	–	(588 781)	(588 781)	35 626 201	40 670 327	46 257 897
Community Assets	6 859 610	6 889 795	–	–	–	–	(228 192)	(228 192)	6 661 603	6 829 308	6 928 058
Heritage Assets	10 280	10 280	–	–	–	–	(11)	(11)	10 269	10 269	10 269
Investment properties	579 534	579 534	–	–	–	–	(1)	(1)	579 533	577 820	576 106
Other Assets	6 147 824	6 198 029	–	–	–	–	(1 168 145)	(1 168 145)	5 029 884	5 320 069	5 802 519
Intangible Assets	506 711	492 171	–	–	–	–	(11 286)	(11 286)	480 884	398 664	382 064
Computer Equipment	635 029	656 654	–	–	–	–	(16 890)	(16 890)	639 763	737 625	733 438
Furniture and Office Equipment	469 108	474 624	–	–	–	–	(675)	(675)	473 949	565 078	593 719
Machinery and Equipment	495 671	502 370	–	–	–	–	7 161	7 161	509 531	486 995	469 113
Transport Assets	2 661 097	2 666 743	–	–	–	–	951 325	951 325	3 618 068	3 415 079	3 290 701
Land	1 024 585	1 010 856	–	–	–	–	107 794	107 794	1 118 650	1 067 641	1 008 644
Zoo's, Marine and Non-biological Animals	**56 627 881**	**55 696 039**	**–**	**–**	**–**	**–**	**(947 701)**	**(947 701)**	**54 748 337**	**60 078 875**	**66 052 528**
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	**3 354 567**	**3 354 567**	**–**	**–**	**–**	**–**	**(468 294)**	**(468 294)**	**2 886 273**	**3 432 308**	**3 609 588**
Repairs and Maintenance by asset class	**4 619 237**	**4 616 297**	**–**	**–**	**–**	**–**	**(535 497)**	**(535 497)**	**4 080 800**	**5 139 829**	**5 388 333**
Roads Infrastructure	*756 245*	*756 245*	–	–	–	–	*(183 366)*	*(183 366)*	*572 879*	*925 224*	*971 577*
Storm water Infrastructure	*126 779*	*126 779*	–	–	–	–	*(34 350)*	*(34 350)*	*92 428*	*141 528*	*148 618*
Electrical Infrastructure	*518 758*	*518 758*	–	–	–	–	*962*	*962*	*519 720*	*544 439*	*571 712*
Water Supply Infrastructure	*346 775*	*344 084*	–	–	–	–	*(3 776)*	*(3 776)*	*340 308*	*361 041*	*378 879*
Sanitation Infrastructure	*316 303*	*316 303*	–	–	–	–	*13 468*	*13 468*	*329 770*	*331 682*	*348 299*
Solid Waste Infrastructure	*7 281*	*7 281*	–	–	–	–	*1 838*	*1 838*	*9 119*	*7 639*	*8 022*
Infrastructure	2 072 140	2 069 449	–	–	–	–	(205 225)	(205 225)	1 864 224	2 311 553	2 427 108
Community Facilities	*701 876*	*701 876*	–	–	–	–	*(343 053)*	*(343 053)*	*358 822*	*765 788*	*801 656*
Sport and Recreation Facilities	*86 081*	*86 081*	–	–	–	–	*5 709*	*5 709*	*91 790*	*57 946*	*62 280*
Community Assets	787 956	787 956	–	–	–	–	(337 344)	(337 344)	450 612	823 734	863 936
Heritage Assets	2 666	2 666	–	–	–	–	(977)	(977)	1 689	3 480	3 616
Revenue Generating	*18 110*	*18 110*	–	–	–	–	*(7 056)*	*(7 056)*	*11 054*	*19 193*	*20 341*
Non-revenue Generating	*17*	*17*	–	–	–	–	*(8)*	*(8)*	*9*	*18*	*18*
Investment properties	18 127	18 127	–	–	–	–	(7 064)	(7 064)	11 063	19 211	20 359
Operational Buildings	225 448	225 448	–	–	–	–	51 931	51 931	277 379	283 789	295 325
Housing	*2 937*	*2 937*	–	–	–	–	*9 970*	*9 970*	*12 907*	*2 956*	*2 976*
Other Assets	*228 385*	*228 385*	–	–	–	–	*61 901*	*61 901*	*290 286*	*286 745*	*298 301*
Other Assets	228 385	228 385	–	–	–	–	61 901	61 901	290 286	286 745	298 301
Computer Equipment	459 060	458 931	–	–	–	–	(81 608)	(81 608)	377 323	509 520	532 044
Furniture and Office Equipment	568 616	568 616	–	–	–	–	111 637	111 637	680 252	653 666	684 663
Machinery and Equipment	2 512	2 512	–	–	–	–	153	153	2 665	2 632	2 758
Transport Assets	479 775	479 655	–	–	–	–	(76 969)	(76 969)	402 686	529 287	555 548
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**7 973 804**	**7 970 864**	**–**	**–**	**–**	**–**	**(1 003 791)**	**(1 003 791)**	**6 967 073**	**8 572 137**	**8 997 922**
Renewal and upgrading of Existing Assets as % of total capex	51.2%	56.3%	-	-	-	-	-	-	54.9%	48.3%	47.5%
Renewal and upgrading of Existing Assets as % of deprecn"	147.7%	146.9%	-	-	-	-	-	-	140.8%	122.2%	126.3%
R&M as a % of PPE	8.2%	8.3%	-	-	-	-	-	-	7.5%	8.6%	8.2%
Renewal and upgrading and R&M as a % of PPE	16.9%	17.1%	-	-	-	-	-	-	14.9%	15.5%	15.1%

Table 23: MBRR Table B10 - Consolidated Basic service delivery measurement

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	1 256 146	1 256 146	–	–	–	–	–	–	1 256 146	1 280 054	1 304 676
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	174 157	174 157	–	–	–	–	–	–	174 157	177 472	180 886
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	1 430 303	1 430 303	–	–	–	–	–	–	1 430 303	1 457 526	1 485 562
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**1 430 303**	**1 430 303**	**–**	**–**	**–**	**–**	**–**	**–**	**1 430 303**	**1 457 526**	**1 485 562**
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1 331 819	1 331 819	–	–	–	–	–	–	1 331 819	1 353 699	1 378 322
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	–	–
Chemical toilet	34 020	34 020	–	–	–	–	–	–	34 020	34 020	34 020
Pit toilet (ventilated)	197	197	–	–	–	–	–	–	197	197	197
Other toilet provisions (> min.service level)	64 267	64 267	–	–	–	–	–	–	64 267	69 610	73 024
Minimum Service Level and Above sub-total	1 430 303	1 430 303	–	–	–	–	–	–	1 430 303	1 457 526	1 485 562
Bucket toilet	0	0	–	–	–	–	–	–	–	0	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**1 430 303**	**1 430 303**	**–**	**–**	**–**	**–**	**–**	**–**	**1 430 303**	**1 457 526**	**1 485 562**
Energy:											
Electricity (at least min. service level)	844 791	844 791	0	–	–	–	–	–	844 791	846 291	847 791
Electricity - prepaid (> min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	844 791	844 791	–	–	–	–	–	–	844 791	846 291	847 791
Electricity (< min.service level)	28 126	28 126	–	–	–	–	–	–	28 126	26 626	25 126
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	28 126	28 126	–	–	–	–	–	–	28 126	26 626	25 126
Total number of households	872 917	872 917	–	–	–	–	–	–	872 917	872 917	872 917
Refuse:											
Removed at least once a week (min.service)	935 447	935 447	–	–	–	–	45 902	45 902	981 349	954 156	973 239
Minimum Service Level and Above sub-total	935 447	935 447	–	–	–	–	45 902	45 902	981 349	954 156	973 239
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**935 447**	**935 447**	**–**	**–**	**–**	**–**	**45 902**	**45 902**	**981 349**	**954 156**	**973 239**

Table continues on next page.

City of Cape Town - 2020/21 Adjustments Budget - 28 January 2021 (including additional recommendations)

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Households receiving Free Basic Service											
Water (6 kilolitres per household per month)	253 851	253 851	–	–	–	–	–	–	253 851	253 851	253 851
Sanitation (free minimum level service)	253 851	253 851	–	–	–	–	–	–	253 851	253 851	253 851
Electricity/other energy (50kwh per household per month)	183 070	183 070	–	–	–	–	–	–	183 070	183 070	183 070
Refuse (removed at least once a week)	257 328	257328	–	–	–	–	–	–	257 328	262 475	267 724
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per indigent household per month)	408 131	408 131	–	–	–	–	–	–	408 131	462 331	509 767
Sanitation (free sanitation service to indigent households)	251 148	251 148	–	–	–	–	–	–	251 148	284 500	313 690
Electricity/other energy (50kwh per indigent household per month)	133 559	133 559	–	–	–	–	(27 559)	(27 559)	106 000	141 572	150 067
Refuse (removed once a week for indigent households)	220 282	220 282	–	–	–	–	93 050	93 050	313 332	227 992	235 971
Cost of Free Basic Services provided - Informal Formal Settlements	**699 470**	**699 470**	**–**	**–**	**–**	**–**	**–**	**–**	**746 425**	**772 134**	**841 784**
Total cost of FBS provided	**1 712 590**	**1 712 590**	**–**	**–**	**–**	**–**	**65 492**	**65 492**	**1 825 037**	**1 888 530**	**2 051 279**
Highest level of free service provided	–	–	–	–	–	–	–	–	–	–	–
Property rates (R'000 value threshold)	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)	11	11	–	–	–	–	–	–	11	11	11
Sanitation (kilolitres per household per month)	7	7	–	–	–	–	–	–	7	7	7
Sanitation (Rand per household per month)	–	–	–	–	–	–	–	–	–	–	–
Electricity (kw per household per month)	60	60	–	–	–	–	–	–	60	60	60
Refuse (average litres per week)	240	240	–	–	–	–	–	–	240	240	240
Revenue cost of free services provided (R'000)											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable	1 241 212	1 241 212	–	–	–	–	26 288	26 288	1 267 500	1 290 613	1 342 366
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per	–	–	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	30 904	30 904	–	–	–	–	–	–	30 904	32 294	33 748
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	**1 272 116**	**1 272 116**	**–**	**–**	**–**	**–**	**26 288**	**26 288**	**1 298 404**	**1 322 907**	**1 376 114**

PART 3 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN INTERNATIONAL CONVENTION CENTRE

An adjustment budget has been prepared to take into account the significant impact of the COVID-19 regulations on the operations of the company and to align the revenues and related costs initially budgeted for the 2020/21 financial year. The basis of preparing the adjustment budget includes the following:

- Events contracted and on the books from March 2021 to June 2021, assuming that the current limit of 250 persons for inside events remain in place for the financial year;
- CTICC1 taken out of operation up to June 2021 to reduce the variable running costs;
- Freeze on non-critical vacancies to remain;
- Remote working to be retained to limit costs, such as electricity, water, cleaning, office costs, etc.;
- Maintenance to continue on all equipment and infrastructure to sweat existing assets and retain cash flow;
- Company secretary services to remain outsourced for now, with the service provider to be appointed from March 2021;
- No provisions made for salary increments or bonuses; and
- Staff to reduce leave balances by taking leave during this time.

The adjustment budget includes the actual results reported for the first five months of the financial year and the remaining seven months forecast.

The Cape Town International Convention Centre’s (CTICC) five primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 54 to page 59.

Table 24: MBRR Table E1 - Adjustments Budget Summary - CTICC

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	8 075	8 075	–	–	–	(4 411)	(4 411)	3 665	600	750
Transfers recognised - operational	–	–	–	–	–	–	–	–	–	–
Other own revenue	207 907	207 907	–	–	–	(170 918)	(170 918)	36 988	20 176	220 050
Total Revenue (excluding capital transfers and contributions)	**215 982**	**215 982**	**–**	**–**	**–**	**(175 329)**	**(175 329)**	**40 653**	**20 776**	**220 800**
Employee costs	90 325	90 325	–	–	–	(13 864)	(13 864)	76 461	84 881	89 278
Remuneration of Board Members	581	581	–	–	–	70	70	651	656	675
Depreciation and debt impairment	54 949	54 949	–	–	–	182 629	182 629	237 578	58 602	57 714
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	28 061	28 061	–	–	–	(24 318)	(24 318)	3 743	3 638	37 831
Transfers and grants	–	–	–	–	–	2 124	2 124	2 124	2 124	2 124
Other expenditure	138 491	138 491	–	–	–	(46 925)	(46 925)	91 566	88 203	115 348
Total Expenditure	**312 407**	**312 407**	**–**	**–**	**–**	**99 715**	**99 715**	**412 123**	**238 104**	**302 971**
Surplus/(Deficit)	**(96 425)**	**(96 425)**	**–**	**–**	**–**	**(275 045)**	**(275 045)**	**(371 470)**	**(217 328)**	**(82 171)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(96 425)**	**(96 425)**	**–**	**–**	**–**	**(275 045)**	**(275 045)**	**(371 470)**	**(217 328)**	**(82 171)**
Taxation	**(25 520)**	**(25 520)**	**–**	**–**	**–**	**(78 492)**	**(78 492)**	**(104 011)**	**(60 852)**	**(23 008)**
Surplus/ (Deficit) for the year	**(70 906)**	**(70 906)**	**–**	**–**	**–**	**(196 553)**	**(196 553)**	**(267 459)**	**(156 476)**	**(59 163)**
Capital expenditure & funds sources										
Capital expenditure	75 483	86 063	–	–	–	(62 532)	(62 532)	23 531	26 594	71 639
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	75 483	86 063	–	–	–	(62 532)	(62 532)	23 531	26 594	71 639
Total sources of capital funds	**75 483**	**86 063**	**–**	**–**	**–**	**(62 532)**	**(62 532)**	**23 531**	**26 594**	**71 639**
Financial position										
Total current assets	110 167	99 586	–	–	–	(61 363)	(61 363)	38 223	38 821	21 187
Total non current assets	884 708	895 288	–	–	–	(169 614)	(169 614)	725 675	752 755	787 924
Total current liabilities	78 525	78 525	–	–	–	(18 294)	(18 294)	60 231	80 270	156 855
Total non current liabilities	–	–	–	–	–	–	–	–	114	228
Community wealth/Equity	916 350	916 350	–	–	–	(212 683)	(212 683)	703 667	711 191	652 027
Cash flows										
Net cash from (used) operating	(16 944)	(16 944)	–	–	–	(152 438)	(152 438)	(169 382)	(139 831)	(13 717)
Net cash from (used) investing	(75 483)	(86 063)	–	–	–	98 532	98 532	12 469	137 406	(71 639)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**81 598**	**71 018**	**–**	**–**	**–**	**120 118**	**120 118**	**17 112**	**14 686**	**(70 670)**

Table 25: MBRR Table E2 - Adjustments Budget - Financial Performance (revenue and expenditure) - CTICC

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	115 960	115 960	–	–	–	(96 050)	(96 050)	19 909	8 748	103 524
Interest earned - external investments	8 075	8 075	–	–	–	(4 411)	(4 411)	3 665	600	750
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other revenue	91 947	91 947	–	–	–	(74 925)	(74 925)	17 022	11 428	116 525
Gains	–	–	–	–	–	57	57	57	–	–
Total Revenue (excluding capital transfers and contributions)	**215 982**	**215 982**	**–**	**–**	**–**	**(175 329)**	**(175 329)**	**40 653**	**20 776**	**220 800**
Expenditure By Type										
Employee related costs	90 325	90 325	–	–	–	(13 864)	(13 864)	76 461	84 881	89 278
Remuneration of Directors	581	581	–	–	–	70	70	651	656	675
Debt impairment	450	450	–	–	–	(90)	(90)	360	360	360
Depreciation & asset impairment	54 499	54 499	–	–	–	182 719	182 719	237 218	58 242	57 354
Finance charges	–	–	–	–	–	–	–	–	–	–
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	28 061	28 061	–	–	–	(24 318)	(24 318)	3 743	3 638	37 831
Contracted services	60 033	60 033	–	–	–	(24 530)	(24 530)	35 503	37 082	48 565
Transfers and subsidies	–	–	–	–	–	2 124	2 124	2 124	2 124	2 124
Other expenditure	78 458	78 458	–	–	–	(22 395)	(22 395)	56 063	51 121	66 783
Losses	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**312 407**	**312 407**	**–**	**–**	**–**	**99 715**	**99 715**	**412 123**	**238 104**	**302 971**
Surplus/(Deficit)	**(96 425)**	**(96 425)**	**–**	**–**	**–**	**(275 045)**	**(275 045)**	**(371 470)**	**(217 328)**	**(82 171)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**(96 425)**	**(96 425)**	**–**	**–**	**–**	**(275 045)**	**(275 045)**	**(371 470)**	**(217 328)**	**(82 171)**
Taxation	(25 520)	(25 520)	–	–	–	(78 492)	(78 492)	(104 011)	(60 852)	(23 008)
Surplus/ (Deficit) for the year	**(70 906)**	**(70 906)**	**–**	**–**	**–**	**(196 553)**	**(196 553)**	**(267 459)**	**(156 476)**	**(59 163)**

Explanatory notes to MBRR Table E2 – Adjustments Budget Financial Performance (revenue and expenditure) – CTICC

REVENUE

1. Rental of facilities and equipment

   Venue rental has been forecast to decrease from R115.9 million to R19.9 million, which includes five months actual and seven months forecasted based on contracted events from March 2021, with attendance of less than 250 persons. Venue rental is forecasted to be significantly down on the revised budget prepared in May 2020, due to the Western Cape Government not extending the contract for the temporary hospital in CTICC1 and the decision by clients to postpone or cancel their events contracted in February 2021 onwards.

2. Interest earned – external investments
   Interest earned is forecast to be lower than the original budget, due to the drop in surplus cash invested and the reduction in the investment rates during the year. Interest is forecast to be R3.7 million, a reduction of R4.4 million.

3. Other revenue
   Other revenue, which includes food and beverage income, parking revenues, turnover rental from the Westin Hotel and sub-contractor commissions have been forecast at R17.0 million, down from R91.9 million. Food and beverage income has been significantly impacted as a result of the decrease in the number of attendees expected at future events, due in many ways to the expected COVID-19 restrictions, change in clients' requirements and the behaviours of attendees to the events.

EXPENDITURE

1. Employee related costs
   Employee related costs has been forecasted to decrease from R90.3 million to R76.5 million. The reason for the decrease is:
   - Direct personnel costs are expected to be lower as there will not be as many large events requiring additional staffing; and
   - Freeze placed on vacant position, no provision for bonuses and no increment adjustments provided from January 2021.

2. Depreciation and asset impairment
   Depreciation is forecast to be R3.4 million above the budget due to the capitalisation of the remainder of CTICC2 assets and the reassessment of useful lives performed over the past two financial years, which deferred depreciation to later periods. The adjusted depreciation amount is R57.9 million.
   Furthermore, due to the lower than expected future cash flows to be generated from operations the carrying value of the cash generating unit is expected to be lower. The value in use calculation prepared reflects this reduction and results in an impairment of R179.3 million for the year

3. Contracted services
   Total costs relating to contracted services have been forecast to decrease by R24.5 million, to R35 million. This is mainly due to the closure of CTICC1 until the end of the financial year and scaling down of services required from external service providers, which includes security, cleaning and waste removal.

4. Other expenditure
   The costs are forecast to reduce by R22.3 million, to R56 million due to reduced electricity costs, office costs, etc. as a result of the closure of CTICC1 and the reduced use of CTICC2.

Table 26: MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding - CTICC

Description R thousands	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure by Asset Class/Sub-class										
Other assets	**41 713**	**48 606**	**–**	**–**	**–**	**(36 445)**	**(36 445)**	**12 162**	**12 946**	**46 393**
Operational Buildings	**41 713**	**48 606**	**–**	**–**	**–**	**(36 445)**	**(36 445)**	**12 162**	**12 946**	**46 393**
Municipal Offices	**41 713**	**48 606**	**–**	**–**	**–**	**(36 445)**	**(36 445)**	**12 162**	**12 946**	**46 393**
Computer Equipment	**26 586**	**29 157**	**–**	**–**	**–**	**(18 903)**	**(18 903)**	**10 254**	**9 821**	**17 093**
Computer Equipment	26 586	29 157	–	–	–	(18 903)	(18 903)	10 254	9 821	17 093
Furniture and Office Equipment	**4 518**	**5 131**	**–**	**–**	**–**	**(4 518)**	**(4 518)**	**614**	**2 578**	**3 133**
Furniture and Office Equipment	4 518	5 131	–	–	–	(4 518)	(4 518)	614	2 578	3 133
Machinery and Equipment	**2 667**	**3 168**	**–**	**–**	**–**	**(2 667)**	**(2 667)**	**501**	**1 250**	**5 021**
Machinery and Equipment	2 667	3 168	–	–	–	(2 667)	(2 667)	501	1 250	5 021
Total Capital Expenditure to be adjusted	**75 483**	**86 063**	**–**	**–**	**–**	**(62 532)**	**(62 532)**	**23 531**	**26 594**	**71 639**
Funded by:										
National Government	–	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	75 483	86 063	–	–	–	(62 532)	(62 532)	23 531	26 594	71 639
Total Capital Funding	**75 483**	**86 063**	**–**	**–**	**–**	**(62 532)**	**(62 532)**	**23 531**	**26 594**	**71 639**

Explanatory notes to MBRR Table E3 – Capital Expenditure Budget by asset class and funding - CTICC

1. Total capital expenditure for the 2020/21 financial year is forecast at R23,5 million, which includes the carry-over of R10.6 million from the previous financial year. This is a significant reduction from the prior adjusted budget of R86.1 million.

2. Management has reviewed the capital program for the remainder of the financial year and has re-prioritised projects to ensure that the complex is maintained in the current environment where cash resources are at risk of being depleted.

Table 27: MBRR Table E4 Adjustments Budget - Financial Position - CTICC

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS										
Current assets										
Cash	–	–	–	–	–	–	–	–	–	–
Call investment deposits	81 598	71 018	–	–	–	(53 906)	(53 906)	17 112	14 686	–
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	24 077	24 077	–	–	–	(7 018)	(7 018)	17 059	19 584	16 576
Current portion of long-term receivables	2 124	2 124	–	–	–	–	–	2 124	2 124	2 124
Inventory	2 367	2 367	–	–	–	(438)	(438)	1 929	2 426	2 487
Total current assets	**110 167**	**99 586**	**–**	**–**	**–**	**(61 363)**	**(61 363)**	**38 223**	**38 821**	**21 187**
Non current assets										
Long-term receivables	170 803	170 803	–	–	–	–	–	170 803	168 679	166 555
Investments	0	0	–	–	–	–	–	0	0	0
Investment property	–	–	–	–	–	–	–	–	–	–
Investment in Associate	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	543 992	554 572	–	–	–	(262 278)	(262 278)	292 294	260 646	274 932
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	169 912	169 912	–	–	–	92 665	92 665	262 577	323 429	346 437
Total non current assets	**884 708**	**895 288**	**–**	**–**	**–**	**(169 614)**	**(169 614)**	**725 675**	**752 755**	**787 924**
TOTAL ASSETS	**994 875**	**994 875**	**–**	**–**	**–**	**(230 977)**	**(230 977)**	**763 898**	**791 575**	**809 111**
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	70 670
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	32 700	32 700	–	–	–	(8 233)	(8 233)	24 467	34 335	36 052
Trade and other payables	41 229	41 229	–	–	–	(5 465)	(5 465)	35 764	40 878	44 593
Provisions	4 596	4 596	–	–	–	(4 596)	(4 596)	–	5 057	5 540
Total current liabilities	**78 525**	**78 525**	**–**	**–**	**–**	**(18 294)**	**(18 294)**	**60 231**	**80 270**	**156 855**
Non current liabilities										
Borrowing	–	–	–	–	–	–	–	–	–	–
Provisions	–	–	–	–	–	–	–	–	114	228
Total non current liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**114**	**228**
TOTAL LIABILITIES	**78 525**	**78 525**	**–**	**–**	**–**	**(18 294)**	**(18 294)**	**60 231**	**80 384**	**157 083**
NET ASSETS	**916 350**	**916 350**	**–**	**–**	**–**	**(212 683)**	**(212 683)**	**703 667**	**711 191**	**652 027**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	(361 078)	(361 078)	–	–	–	(248 683)	(248 683)	(609 761)	(766 237)	(825 400)
Reserves	1 277 428	1 277 428	–	–	–	36 000	36 000	1 313 428	1 477 428	1 477 428
TOTAL COMMUNITY WEALTH/EQUITY	**916 350**	**916 350**	**–**	**–**	**–**	**(212 683)**	**(212 683)**	**703 667**	**711 191**	**652 027**

Table 28: MBRR Table E5 Adjustments Budget - Cash Flows - CTICC

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Other revenue	207 907	207 907	–	–	–	(170 976)	(170 976)	36 931	20 176	220 050
Transfers and Subsidies - Operational	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Capital	–	–	–	–	–	–	–	–	–	–
Interest	8 075	8 075	–	–	–	(4 411)	(4 411)	3 665	600	750
Dividends	–	–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees	(232 926)	(232 926)	–	–	–	22 949	22 949	(209 977)	(160 607)	(234 516)
Finance charges	–	–	–	–	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(16 944)**	**(16 944)**	**–**	**–**	**–**	**(152 438)**	**(152 438)**	**(169 382)**	**(139 831)**	**(13 717)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	36 000	36 000	36 000	164 000	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–
Payments										
Capital assets	(75 483)	(86 063)	–	–	–	62 532	62 532	(23 531)	(26 594)	(71 639)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(75 483)**	**(86 063)**	**–**	**–**	**–**	**98 532**	**98 532**	**12 469**	**137 406**	**(71 639)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(92 426)**	**(103 007)**	**–**	**–**	**–**	**(53 906)**	**(53 906)**	**(156 913)**	**(2 425)**	**(85 356)**
Cash/cash equivalents at the year begin:	174 025	174 025	–	–	–	174 025	174 025	174 025	17 112	14 686
Cash/cash equivalents at the year end:	81 598	71 018	–	–	–	120 118	120 118	17 112	14 686	(70 670)

PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM

In light of the COVID-19 pandemic, the Cape Town Stadium (CTS) entity has had to adjust its budget for the current financial year as it is envisioned that the it will only be allowed to host spectators at events from July 2021 onwards.

The CTS proposes a reduction of its total revenue of R18.5 million (75% revenue reduction) with the operating expenditure being reduced as well as less expenditure will be incurred if there is a reduction in income being generated.

During the 2021/22 and the 2022/23 financial years the entity will generate significant revenue from the commercial overlay, the rights income i.e. the naming, pouring and commercial rights. All anticipated events with Western Province Rugby (WPR) is anticipated to take place; there will also be a Lions and Stormers test match taking place in the 2021/22 financial year.

The Cape Town Stadium's (CTS) primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 61 to page 65.

Table 29: MBRR Table E1 Adjustments Budget Summary - CTS

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	65 718	65 718	–	–	–	–	–	65 718	29 918	29 296
Other own revenue	27 433	27 433	–	–	–	(18 536)	(18 536)	8 897	87 003	96 119
Total Revenue (excluding capital transfers and contributions)	**93 150**	**93 150**	**–**	**–**	**–**	**(18 536)**	**(18 536)**	**74 615**	**116 921**	**125 416**
Employee costs	1 409	1 409	–	–	–	–	–	1 409	1 528	1 658
Remuneration of Board Members	424	424	–	–	–	–	–	424	460	500
Depreciation and debt impairment	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	674	674	–	–	–	(59)	(59)	615	704	736
Transfers and grants	2 597	2 597	–	–	–	40 000	40 000	42 597	42 714	42 931
Other expenditure	88 046	88 046	–	–	–	(18 477)	(18 477)	69 570	111 514	119 590
Total Expenditure	**93 150**	**93 150**	**–**	**–**	**–**	**21 464**	**21 464**	**114 615**	**156 921**	**165 416**
Surplus/(Deficit)	**(0)**	**(0)**	**–**	**–**	**–**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**–**	**–**	**–**	**–**	**–**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**–**	**–**	**–**	**–**	**–**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**
Financial position										
Total current assets	6 392	6 392	–	–	–	39 990	39 990	46 382	43 530	43 587
Total non current assets	–	–	–	–	–	1 895 000	1 895 000	1 895 000	1 855 000	1 815 000
Total current liabilities	6 392	6 392	–	–	–	(10)	(10)	6 382	3 530	3 587
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	–	–	–	–	–	1 935 000	1 935 000	1 935 000	1 895 000	1 855 000
Cash flows										
Net cash from (used) operating	(3 771)	(3 771)	–	–	–	(10)	(10)	(3 781)	0	(0)
Net cash from (used) investing	–	–	–	–	–	–	–	–	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**10**	**10**	**–**	**–**	**–**	**3 771**	**3 771**	**–**	**0**	**(0)**

Table 30: MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTS

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	21 376	21 376	–	–	–	(16 576)	(16 576)	4 800	82 376	85 721
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	65 718	65 718	–	–	–	–	–	65 718	29 918	29 296
Other revenue	6 057	6 057	–	–	–	(1 960)	(1 960)	4 097	4 627	10 399
Gains	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**93 150**	**93 150**	**–**	**–**	**–**	**(18 536)**	**(18 536)**	**74 615**	**116 921**	**125 416**
Expenditure By Type										
Employee related costs	1 409	1 409	–	–	–	–	–	1 409	1 528	1 658
Remuneration of Directors	424	424	–	–	–	–	–	424	460	500
Debt impairment	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	674	674	–	–	–	(59)	(59)	615	704	736
Contracted services	68 715	68 715	–	–	–	(12 071)	(12 071)	56 644	87 054	87 348
Transfers and subsidies	2 597	2 597	–	–	–	40 000	40 000	42 597	42 714	42 931
Other expenditure	19 331	19 331	–	–	–	(6 406)	(6 406)	12 926	24 460	32 242
Losses	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**93 150**	**93 150**	**–**	**–**	**–**	**21 464**	**21 464**	**114 615**	**156 921**	**165 416**
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**(0)**	**(0)**	**–**	**–**	**–**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**–**	**–**	**–**	**–**	**–**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**	**(40 000)**

Explanatory notes to MBRR Table E2 – Adjustments Budget Financial Performance (revenue and expenditure) – CTS

REVENUE

1. Rental of facilities and equipment
   Rental of fixed assets decreased from R 21.3 million to R4.8 million. The R4.8 million comprises of commercial rights fee income of R1.3 million, which will be received for the operational tenders, R1 million income to be received from WPR, R2 million income to be generated from the sale of the business lounge tickets and R0.5 million to be generated from the hosting of other events within the current COVID-19 regulations.

2. Other Revenue
   - Tours Income: Reduction from R0.06 million to zero as all tours have been suspended for the remainder of the financial year.
   - Parking fees: Reduction from R0.3 million to zero.
   - Advertising fees: Advertising fees income reduced from R3.1 million to R1.5 million. The reduction of R1.6 million is due to the commencement date of the contract moving from January 2021 to March 2021.

EXPENDITURE

1. Other materials
   The reduction of R59 000 in other materials is attributable to the reduction in the printing and stationery budget as there are less events taking place.

2. Contracted services
   The reduction of R12 million is attributable to a reduction in the Repairs & Maintenance budget of R5.6 million as well as direct event expenditure i.e. cleaning (R0.5 million), security (R2 million), City and transportation services (R3.9 million).

3. Transfers and subsidies
   The R42.5 million budget for services in-kind are included under transfers and subsidies, which comprises of R40 million for the lease of the stadium from the City and R2.5 million for the use of the office furniture (moveable assets).

4. Other expenditure
   The downwards adjustment of R6.4 million comprises a reduction of R2.7 million for municipal services (water and electricity), R1.5 million for information technology services, R0.3 million for conferences and travel, R0.6 million for advertising, R0.3 million for training and the remaining R1 million for licenses and hire charges.

Table 31: MBRR Table E4 Adjustments Budget - Financial Position - CTS

Description	Budget Year 2020/21								Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS										
Current assets										
Cash	10	10	–	–	–	(10)	(10)	–	–	–
Call investment deposits	–	–	–	–	–	–	–	–	–	–
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	6 382	6 382	–	–	–	–	–	6 382	3 530	3 587
Current portion of long-term receivables	–	–	–	–	–	40 000	40 000	40 000	40 000	40 000
Inventory	–	–	–	–	–	–	–	–	–	–
Total current assets	**6 392**	**6 392**	**–**	**–**	**–**	**39 990**	**39 990**	**46 382**	**43 530**	**43 587**
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Investment in Associate	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	1 895 000	1 895 000	1 895 000	1 855 000	1 815 000
Total non current assets	**–**	**–**	**–**	**–**	**–**	**1 895 000**	**1 895 000**	**1 895 000**	**1 855 000**	**1 815 000**
TOTAL ASSETS	**6 392**	**6 392**	**–**	**–**	**–**	**1 934 990**	**1 934 990**	**1 941 382**	**1 898 530**	**1 858 587**
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	–	–	–	–	–	–	–	–	–	–
Trade and other payables	6 392	6 392	–	–	–	(10)	(10)	6 382	3 530	3 587
Provisions	–	–	–	–	–	–	–	–	–	–
Total current liabilities	**6 392**	**6 392**	**–**	**–**	**–**	**(10)**	**(10)**	**6 382**	**3 530**	**3 587**
Non current liabilities										
Borrowing	–	–	–	–	–	–	–	–	–	–
Provisions	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL LIABILITIES	**6 392**	**6 392**	**–**	**–**	**–**	**(10)**	**(10)**	**6 382**	**3 530**	**3 587**
NET ASSETS	**–**	**–**	**–**	**–**	**–**	**1 935 000**	**1 935 000**	**1 935 000**	**1 895 000**	**1 855 000**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	–	–	–	–	–	1 935 000	1 935 000	1 935 000	1 895 000	1 855 000
Reserves	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**–**	**–**	**–**	**–**	**–**	**1 935 000**	**1 935 000**	**1 935 000**	**1 895 000**	**1 855 000**

Table 32: MBRR Table E5 Adjustments Budget - Cash Flows - CTS

Description R thousands	Budget Year 2020/21 Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2021/22 Adjusted Budget	Budget Year +2 2022/23 Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Other revenue	27 433	27 433	–	–	–	(21 133)	(21 133)	6 300	84 289	93 244
Government - operating	65 718	65 718	–	–	–	–	–	65 718	29 918	29 296
Government - capital	–	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees	(96 921)	(96 921)	–	–	–	21 122	21 122	(75 799)	(114 207)	(122 540)
Finance charges	–	–	–	–	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(3 771)**	**(3 771)**	**–**	**–**	**–**	**(10)**	**(10)**	**(3 781)**	**0**	**(0)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–
Payments										
Capital assets	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(3 771)**	**(3 771)**	**–**	**–**	**–**	**(10)**	**(10)**	**(3 781)**	**0**	**(0)**
Cash/cash equivalents at the year begin:	3 781	3 781				3 781	3 781	3 781	–	0
Cash/cash equivalents at the year end:	10	10				3 771	3 771	–	0	(0)

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, **Lungelo Mbandazayo**, municipal manager of the **City of Cape Town**, hereby certify that the 2020/21 adjustments budget (**January 2021**) and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name ______________________________

Municipal Manager of City of Cape Town (CPT)

Signature ______________________________

Date ______________________________

ADDITIONAL RECOMMENDATIONS - COUNCIL MINUTES

RESOLVED that:

a) in terms of section 28 of the MFMA, the amendments proposed for incorporation into the 2020/21 adjustments budget (January 2021), as contained in Annexure A to the report on the agenda, be adopted

b) the January 2021 adjustment budget be further adjusted by:
Appropriating R32 million additional allocation on the operating budget, funded Human Settlement Development Grant within Human Settlements Directorate. The additional funds will be allocated to cost centre 19040018 across various cost elements as indicated in the tables below for the 2020/21 financial year:

Cost Centre	Cost Element	Cost Element Description	Amounrt
19040025	413000	Material, Consumables, Tools & Equipment	**18 000 000.00**
19040025	413800	Security Services: Municipal Facilities	**12 000 000.00**
19040025	453050	Building & Infrastructure Contractors	**2 000 000.00**
TOTAL			**32 000 000.00**

A concomitant increase of R32 million will be effected on revenue as follows:

Revenue Element	Revenue Element Description	Revenue Element Description	FY2021
P19040025	856300	Grants and Subsidies : Provincial (Conditional)	**32 000 000.00**

c) the relevant legislated MBRR Schedule B tables be amended prior submission to National- and Provincial Treasury.