STRATEGIC FOCUS AREA 1
The opportunity city

The core focus of the opportunity city is to create an economically enabling environment in which investment can grow and jobs can be created. Only by having a job can people make the most of their lives and attain dignity.

In the 2015/16 financial year the City will continue with the programme to expand the broadband fibre optic network to bring sustainable Wi-Fi access to previously under-serviced communities and to speed up internal internet speed.

The City's budget spent on safety and security will be used towards expanding staff and capital resources to provide improved services to all, especially vulnerable communities.

STRATEGIC FOCUS AREA 2
The safe city

Citizens need to be safe in their city. If they feel threatened by violence, crime or disasters, they can never truly access the opportunities that the city and fellow citizens offer them.

STRATEGIC FOCUS AREA 3
The caring city

In order to be a world-class city, Cape Town must be welcoming to all people. It must make residents feel at home and allow them to feel that their government is doing everything it can to provide for them, truly enabling them to access opportunities.

The City will continue to identify and develop housing opportunities.

The City will continue to invest in world-class community facilities in areas that previously experienced under-investment.

STRATEGIC FOCUS AREA 4
The inclusive city

An inclusive city is one where everyone has a stake in the future and enjoys a sense of belonging. For historical reasons, the South African society has been divided along artificial lines. While we have come a long way in terms of addressing many of those divisions, there is still work to be done. An inclusive city, however, also strongly relies on the proper functioning of the programmes in the focus areas in order to give meaning to this concept.

STRATEGIC FOCUS AREA 5
The well-run city

A well-run city is the guarantor of all other government programmes. Citizens need to know that their government works for them, is accountable to them and answers to them at all times. Governments manage public resources and programmes. As such, they must be constantly scrutinised in public to ensure responsible management. The underlying tenets of a well-run city are the principles of openness and due process.

As an inclusive city, Council will in the new financial year continue to spend on community facilities like smart parks to add value to the social, economic and environmental fabric of communities across Cape Town.

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BUDGET
2015/16 – 2017/18

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Message from

THE EXECUTIVE MAYOR

As the City we are committed to our strategic objectives, as defined in the Integrated Development Plan (IDP), to be a well-run government and to create a safe, caring, inclusive and opportunity city. The budget has therefore been drawn up to ensure that we are able to fulfil these strategic objectives.

It is a legislative requirement that we submit the draft budget for public comment before a final budget is adopted by Council.

This process ensures that the public is able to scrutinise and propose amendments to how we spend our money in terms of both operating expenditure (opex) and capital expenditure (capex).

In order to ensure strategic alignment and maximum efficiency, we asked each directorate within the City a series of key questions, including:

- What is needed to execute the City's strategy in that directorate?
- What resources are required to do so?
- What prioritisations are required?
- What expenditure repurposing is required?
- What efficiencies can be achieved?
- What business improvement processes can be undertaken?

By considering these questions we ensure that our budget is structured to achieve the best possible service delivery and benefit to the City, its residents and staff.

The proposed budget would see 67% of our service delivery expenditure targeted towards the City's poorest residents – a powerful testament to this government's commitment to reconciliation through substantive redress measures.

In terms of the proposed rates and service charge increases, we have kept increases as low as possible and as close to the consumer price index rate of 5,9% as we can in order to ensure that, in these difficult times, we do not pass on additional burdens to the consumer.

The budget is fully balanced and fully funded, and in line with our strategic vision for the City. In total, it amounts to over R38 billion – just over R6 billion in capex and around R32 billion in opex.

It adequately funds the City's strategic objectives and underlines our commitment to redress and reconciliation, while enabling us to take the lead in driving economic and social development in the metro region.

P. de Lille

ALDERMAN PATRICIA DE LILLE
Executive Mayor
City of Cape Town

Message from

THE EXECUTIVE DEPUTY MAYOR

As the population of Cape Town continues its rapid growth to over four million people, the City has to ensure that all residents have access to the basic services, not only to support life and public health, but also to provide adequate infrastructure to grow the economy and thus enable all to find jobs, to own and maintain a home, and to prosper. These needs mean that we have to ensure that the water supply system has adequate capacity, that sanitation and sewage systems are continuously improved and upgraded, that the roads systems work and that the public transport system is upgraded to a standard that suits a city of our size and configuration.

It also means that we have to provide adequate protection to our population – a sufficient and fully functioning fire service, a metropolitan police service, traffic enforcement and enforcement of by-laws that are there to ensure orderly progress and communal living. Clinic services, libraries, parks and beaches are important to our general health and welfare.

This budget is aimed at ensuring that the City continues to deliver these services at a high level that will promote a growing city and improve the lives of all.

The cost of this delivery must be borne by the citizens according to their means and their use of services. Free basic services are provided to poor households, but higher use of services must be paid for by those who consume more. General public services that cannot be directly linked to particular users are paid from property rates and the City's share of the fuel levy.

The City ensures that we have a balanced budget and that it is fully cash-backed. We borrow money at affordable amounts so that future generations are not overburdened by our loans. Our high credit rating and 11 years of unqualified audits are testimony to the high standard of financial management in the City, which can give citizens the confidence of a strong and secure financial future that will continue to deliver a high standard of service.

We thank our citizens for paying their property rates and service charges. It is you who make progress possible. Together.

ALDERMAN IAN NEILSON
Executive Deputy Mayor and Mayoral Committee member for Finance
City of Cape Town

Budget at a glance

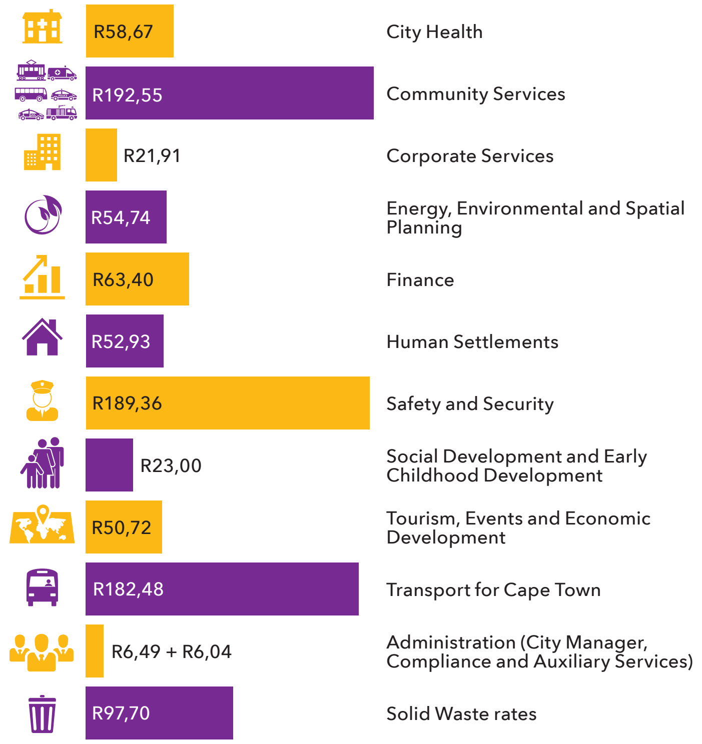
Operating budget:
R32,090 billion

The operating budget is dedicated to day-to-day operations, which include the provision of services such as health, transport and roads, libraries, parks, early childhood development, policing, traffic management, water, electricity and refuse removal.

Capital budget:
R6,044 billion

The capital budget is dedicated to the provision of new infrastructure projects and the renewal or capital maintenance of existing assets.

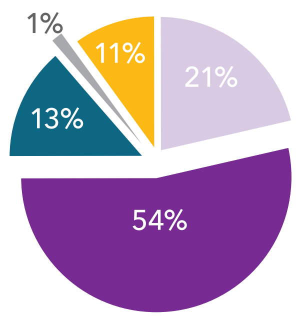
Municipal services per every R1 000 of property rates

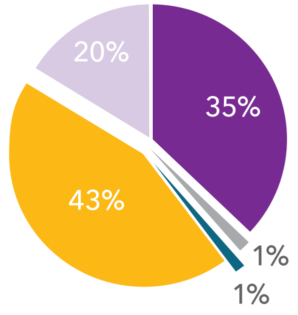


Your municipal property rates at work:

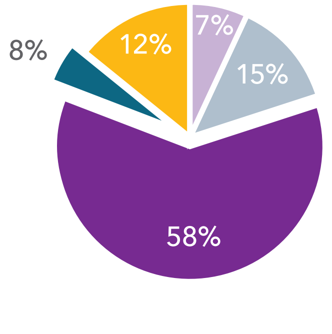
The City of Cape Town's municipal budget rests on the building blocks of affordability, sustainability and credibility.

How is this funded?





2015/16 budget per strategic focus area



Social package

The social package assists poor households by providing them with the following:

- 6 kℓ of water per month per household, free of charge
- 4,2 kℓ sanitation per month per household, free of charge
- 4,5 kℓ of water, including sewerage charges for all properties valued at R300 000 or less, free of charge
- 60 kWh electricity per month per household, free of charge for users who use less than 250 kWh per month
- 25 kWh electricity per month per household, free of charge for users who use more than 250 kWh but less than 450 kWh per month
- Waste removal rebates between 0% and 100% for consumers whose properties are valued at R400 000 or less
- A total of R1,25 billion in rates rebates on various properties depending on ownership and usage

The total cost of the social package amounts to approximately R2,8 billion for the 2015/16 financial year.

Consolidated expenditure

R2 711 m — Safety and Security (7%)

- Additional allocation for staff – R33,3 m
  - for Fire and Rescue Services and Metro Police Tactical Response Unit
  - enforcement of Liquor Enforcement By-law and Displaced Peoples' Unit
  - to improve Traffic Services enforcement and increase visibility on major city roads
  - additional traffic staff – fine collection
  - appointment of additional call centre operators for 107 PECC
- Limited 24-hour service for Law Enforcement and Traffic Services – R5,6 m
- Acquisition of new specialised vehicle (service delivery strikes and cleaning of roads) and new and replacement of vehicles – R23,8 m
- Implementation of phase 2 of the Integrated Emergency Contact Centre – R44,5 m
- Installation of CCTV equipment – R6,5 m

R1 012 m — City Health (3%)

- Tafelsig clinic: Upgrade and extensions for HIV and TB services – R1,3 m
- Mzamomhle and Masincedane clinics – R2,9 m
- Upgrade of the TB area at the Ravensmead clinic – R1,5 m

R2 226 m — Corporate Services (6%)

- Expanding the broadband fibre optic network – R190,6 m
- Specialised vehicles – replace old fleet – R65 m
- FM structural rehabilitation – R35 m
- Digital inclusion project – R32 m
- Training programmes – R43 m

R1 997 m — Human Settlements (5%)

- Urbanisation: Backyards/informal settlements upgrade – R79,6 m
- District Six restitution project – R75,7 m
- Langa hostels – R57,1 m
- Fisantekraal Garden Cities housing project – R78 m
- People's Housing Projects: City-managed – R138,7 m
- Belhar CBD social housing project – R45,8 m
- Khayelitsha institutional housing project – R33,2 m

R4 118 m — Transport for Cape Town (11%)

- Bulk roads and stormwater for housing projects – R42 m
- Reconstruct roads metro – R38 m
- IRT – R519 m
- Non-motorised transport network and universal access – R120 m
- Pelican Park: Upgrade of Strandfontein Road – R51 m
- Public transport systems management project – R25 m
- Roads and stormwater rehabilitation – R68 m
- Traffic Management Centre extension – R35 m
- Repairs and maintenance: Roads, stormwater and public transport interchanges – R544 m
- Contracted services: MyCiTi vehicle operating costs – R480 m
- Security: Public transport interchanges and depots – R39 m
- EPWP – R10 m

R1 848 m — Community Services (5%)

- New regional library in Kuyasa Khayelitsha – R15,7 m
- Vaalfontein cemetery development – R7,3 m
- Atlantis synthetic pitch – R6,8 m
- Recreation programmes – R1 m
- Upgrade Nomzamo Park – smart park – R4,8 m
- Upgrade Atlantis smart park – R2,1 m
- Upgrade – Seawinds smart park – R1,980 m

R5 623 m — Other (14%)

- EPWP and Mayor's special job creation projects – R150,6 m
- Construction of Early Childhood Development Centres – R10,5 m
- Additional special programme funding received – R13,6 m
- Basement parking and access – R35 m
- Granary project – R29,1 m
- Electronic workflow – Immovable property – R8,6 m
- Quality public spaces – City-wide – R15,9 m
- Witsands reserve and office development – R3,8 m
- Good Hope Centre refurbishment which includes the installation of an additional transformer and equipment replacement – R6,5 m
- Completion of works such as the recycling room, additional lifts and LED screens at Cape Town stadium. Ensuring that Cape Town Stadium maintains its status as a global standard facility – R22,5 m
- Film and events permitting system – R2 m
- Key operating decisions relating to the implementation of the Events Policy and support for events – R50,3 m
- Management and oversight of the key special purpose vehicles in the portfolio, such as Cape Town Partnership, Tygerberg Partnership, Cape Town Tourism and others – R63,4 m
- Completion and management of the repairs and maintenance program for strategic assets and facilities – R29,4 m
- e-Procurement system – R5 m
- Upgrading Imizamo Yethu sporting precinct and Langa station southern precinct – R4,4 m and R3,5 m
- Langa heritage precinct development – R2,8 m
- Baboon management – R11 m and shark spotting – R2,8 m
- Securing nature reserves and public visiting reserves – R4,3 m
- Land acquisition for municipal purposes – R52,9 m
- MURP Violence Prevention Urban Upgrade: Urban Regeneration Programme targets poor areas – R46 m

R18 650 m — Utility Services (49%)

- Electricity network infrastructure – growth and refurbishment – R827,8m
- Electrification (including backyarders) – R70,8m
- Streetlighting – emphasis on poorer areas – R30,8 m
- Completion of Bellville refuse transfer station – R37 m
- Water and sanitation meter replacement program – R175 m
- Zandvliet WWTW – extension – R135,9 m
- Mitchells Plain wastewater treatment – R113,5 m
- Contractors to deliver sanitation in informal settlements – R170 m
- Janitorial services – R60 m
- Sewer pump station and network cleaning – R339 m
- Maintenance of water network infrastructure – R80 m
- Rehabilitation of Vissershok North landfill – R111 m
- Completion of the Faure and Swartklip drop-offs – R19 m
- Start construction for Beaconvale drop-off – R10 m
- Roll-out of the home composting containers to residential properties – initial roll-out to 5 000 properties on application – R3 m
- Solid waste management apprenticeship programme – R6 m
- Roll-out of the radio frequency identification device on all 240ℓ containers.

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