

High Level Summary of Changes between the Tabled 2014/15 to 2016/17 Budget (February 2014) and the 2014/15 to 2016/17 Budget (May 2014)

A. 2014/15 OPERATING BUDGET

Following tabling of the 2014/15 Budget in February 2014, information not available or known at the time and/or the financial impact thereof could not be foreseen or accurately calculated at that time, is now to be considered for incorporation within the 2013/14 Operating Budget.

- i. Amendments to Operating Grants & Donations include the following:
 - An allocation of R16.9 million for Expanded Public Works Programme, funded from National Government.
 - Adjustments based on latest gazetted allocations from National and Provincial Government within Human Settlements:
 - Increased allocation of R58.9 million on the Urban Settlements Development Grant for the development of human settlements,
 - Increased allocation of R567.4 million on the Human Settlements Development Grant for top structures and the creation of sustainable human settlements..
 - Increased allocation of R49.8 million on the Municipal Human Settlements Capacity Grant for the improvement of capacity to deliver and subsidise the operational costs of administering human settlements programmes in the City.
 - A reduction of R8.5 million on the Municipal Accreditation Assistance Grant.
 - Increased allocation of R816 800 within Social Development & Early Childhood Development directorate for providing a public access centre for the community to have networks and services. This will be funded from Agence Francaise Development (AFD) funding (R316 800) and Public Access Centres Grant funding (R500 000).
 - Increased allocation of R13.1 million within Safety & Security for the provision of Law Enforcement and Traffic Services in specific City Improvement Districts.
 - Increased allocation of R25 million within Health Services for Personal Primary Health Care, Integrated Nutrition, HIV, Global Funds, and Comprehensive Health.
 - Additional allocation of R2.3 million within Corporate Services for the development of technical skills and improvement on infrastructure management.
 - A reduction of R950 849 within Transport for Cape Town as per the latest and updated published list of allocations from National and Provincial Government.
- ii. A review of funding sources' availability, post funding updates and allocations, resulted in proposed amendments to previously approved allocations:
 - A R40 million adjustment on Leave Pay within Rate Funded Services based on past years' trends.
 - A reduced allocation of R4.9 million in respect of the Equitable Share, as gazetted.
 - An adjustment of R62 million on both revenue and expenditure within Transport for Cape Town as a result of increased demand on the Integrated Rapid Transport bus service and the roll out of this service to new routes.
 - A reduced allocation of R11.9 million on the National Fuel Levy grant, based on the latest information received from National Government.

- A reduction of R84.7 million on Property Management Revenue, to ensure realistic and recoverable sources of revenue, based on latest trends.
- An additional provision of R118.6 million on Property Rates revenue, based on latest projections, after taking into consideration the valuation objections resolved. These funds will be utilised to redress imbalances within Rates. The income forgone figures were also reviewed, based on the applications received and the Total Municipal Account projections.
- An additional R50 million on both expenditure and revenue within Rates-funded Services for the Basement Parking & Access project funded ex revenue. This additional expenditure will be funded from the sale of Bellville Velodrome.

B. 2014/15 CAPITAL BUDGET

Amendments (post tabled budget):

- Portfolio Committees proposed sundry changes to the table 2014/15 – 2016/17 Capital Budget.
- Ward Allocation amendments, supported by Subcouncils for inclusion into the capital budget, subsequent to the tabling of the budget in February 2014.
- Amendments to the DORb allocations and Provincial allocations (ex CGD).
- Budgetary amendments on projects funded from the Capital Replacement Reserve (CRR), whilst remaining within the 2014/15 MTREF affordability levels.
- Substitutions (ex EFF).
- Subsequent to the Portfolio Committee engagements, additional funding ex EFF, Revenue and CRR were allocated to the CTICC basement parking & access project in order to support economic growth through economic development. The work will entail the construction of a second basement under the CTICC East Development and will result in additional parking bays as well as an access tunnel to the parkade.

These amendments are summarised as follows:

Net effect on EFF funded projects

Directorate / Department	Difference between February and May 2014/15	Difference between February and May 2015/16	Difference between February and May 2016/17
Rates Funded			
Finance	29 000 000	19 500 000	1 500 000
Solid Waste Management	-25 000 000	25 000 000	-
Total	4 000 000	44 500 000	1 500 000

Net effect on Capital Grants and Donations (CGD) funded projects

Directorate / Department	Difference between February and May 2014/15	Difference between February and May 2015/16	Difference between February and May 2016/17
Rates Funded Services			
Community Services	250 000	-	-
Compliance and Auxiliary Services	1 050 000	291 500	295 400
Corporate Services	-	-4 034 000	-
Economic, Environment & Spatial Planning	53 876 550	-5 060 000	3 000 000
Human Settlements	11 579 590	14 672 650	-8 330 935
Social and Early Childhood Development	2 350 000	-	-
Transport for Cape Town	-21 707 590	-512 368 127	-483 159 000
Total	47 398 550	-506 497 977	-488 194 535
Tariff Funded Services			
Cape Town Electricity	-32 044 000	-38 140 000	-3 700 000
Water & Sanitation	-18 700 000	5 400 000	6 500 000
Total	-50 744 000	-32 740 000	2 800 000

Net effect on Capital Replacement Reserve (CRR) funded projects

Directorate / Department	Difference between February and May 2014/15	Difference between February and May 2015/16	Difference between February and May 2016/17
Rates Funded Services			
Community Services	699 278	-	-
Compliance and Auxiliary Services	-22 025 278	-	-
Finance	10 500 000	-	-
Safety & Security	30 000	-	-
Transport for Cape Town	29 961 000	-3 300 000	-3 100 000
Solid Waste Management	25 000 000	-	-
Total	44 165 000	-3 300 000	-3 100 000
Tariff Funded Services			
Cape Town Electricity	31 800 000	-41 000 000	10 000 000
Total	31 800 000	-41 000 000	10 000 000

Net effect on Revenue (REV) funded projects

Directorate / Department	Difference between February and May 2014/15	Difference between February and May 2015/16	Difference between February and May 2016/17
Rates Funded Services			
Finance	50 000 000	-	-
Total	50 000 000	-	-
Tariff Funded Services			
Cape Town Electricity	4 000 000	-	-
Total	4 000 000	-	-