



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

2025/26 ADJUSTMENTS BUDGET

29 January 2026

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

1. MAYOR'S REPORT.....	1
2. RESOLUTIONS.....	13
3. EXECUTIVE SUMMARY	14
3.1. GENERAL	14
3.2. PROVISION OF BASIC SERVICES	14
3.3. ADJUSTMENT HIGHLIGHTS.....	14
3.4. GRANT FUNDING	30
4. ADJUSTMENTS BUDGET TABLES – CITY OF CAPE TOWN	32
5. ADJUSTMENTS TO BUDGET ASSUMPTIONS	51
7. ADJUSTMENTS RELATED TO ALLOCATIONS AND GRANTS TO THE CITY	51
6. ADJUSTMENTS TO BUDGET FUNDING	51
8. ADJUSTMENTS TO TRANSFERS AND GRANTS MADE BY THE CITY.....	51
9. ADJUSTMENTS TO COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS	51
10. ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	52
11. ADJUSTMENTS TO CAPITAL EXPENDITURE	52

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

53

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

66

PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM... 75

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

80

LIST OF TABLES

Table 1 Fund shifts in relation to the capital programme for 2024/25	15
Table 2: MBRR Table B1 – Adjustments Budget Summary	32
Table 3: MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)	34
Table 4: MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote).....	36
Table 5: MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure).....	37
Table 6: MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source.....	39
Table 7: MBRR Table B6 – Adjustments Budget Financial Position	41
Table 8: MBRR Table B7 – Adjustments Budget Cash Flow Statement.....	43
Table 9: MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation	44
Table 10: MBRR Table B9 - Asset Management	45
Table 11: MBRR Table B10 - Basic Service Delivery Measurement	48
Table 12: MBRR Table B1 - Consolidated Adjustments Budget Summary	53
Table 13: MBRR Table B2 - Consolidated Adjustments Budget Financial Performance (standard classification)	55
Table 14: MBRR Table B3 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure by municipal vote).....	56
Table 15: MBRR Table B4 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure).....	57
Table 16: MBRR Table B5 - Consolidated Adjustments Capital Expenditure Budget by vote and funding	58
Table 17: MBRR Table B6 - Consolidated Adjustments Budget Financial Position.....	59
Table 18: MBRR Table B7 - Consolidated Adjustments Budget Cash Flow	60
Table 19: MBRR Table B8 - Consolidated Cash backed reserves/accumulated surplus reconciliation.....	60
Table 20: MBRR Table B9 - Consolidated Asset Management	61
Table 21: MBRR Table B10 - Consolidated Basic service delivery measurement	64
Table 22: MBRR Table E1 - Adjustments Budget Summary - CTICC	68
Table 23: MBRR Table E2 - Adjustments Budget - Financial Performance (revenue and expenditure) - CTICC	71
Table 24: MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding - CTICC.....	72
Table 25: MBRR Table E4 Adjustments Budget - Financial Position - CTICC	73
Table 26: MBRR Table E5 Adjustments Budget - Cash Flows - CTICC	74
Table 27: MBRR Table E1 Adjustments Budget Summary - CTS	75
Table 28: MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTS	76
Table 29: MBRR Table E4 Adjustments Budget - Financial Position - CTS	78
Table 30: MBRR Table E5 Adjustments Budget - Cash Flows - CTS.....	79

LIST OF ANNEXURES

ANNEXURE 1.1: ADJUSTMENTS TO 2025/26 OPERATING BUDGET (JANUARY 2026)

ANNEXURE 1.2: 2025/26 WARD ALLOCATIONS OPERATING AMENDMENTS AND ADDITIONS (JANUARY 2026)

ANNEXURE 1.3: 2025/26 SUB COUNCIL ALLOCATIONS OPERATING AMENDMENTS AND ADDITIONS
(JANUARY 2026)

ANNEXURE 2.1: 2025/26 TO 2027/28 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2026): SUMMARY PER
MAJOR FUND SOURCE

ANNEXURE 2.2: 2025/26 TO 2027/28 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2026): DETAILS OF
2025/26 INCREASES/DECREASES WITH MOTIVATIONS

ANNEXURE 2.3: 2025/26 TO 2027/28 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2026): DETAILS OF
2026/27 INCREASES/DECREASES WITH MOTIVATIONS

ANNEXURE 2.4: 2025/26 TO 2027/28 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2026): DETAILS OF
2027/28 INCREASES/DECREASES WITH MOTIVATIONS

ANNEXURE 3: 2025/26 IDP FINANCIAL PLAN (JANUARY 2026)

ANNEXURE 4: INDIVIDUAL PROJECTS WITH A TOTAL PROJECT COST IN EXCESS OF R50 MILLION (TO GIVE
EFFECT TO SECTION 19(1)(B), AND 19(2) OF THE MFMA AND REGULATION 13(1)(B) OF
THE MBRR)

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.

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 2026 adjustments budget are:

- The appropriation of approved committed 2024/25 grant funding from National Treasury (NT) and the Western Cape Government (WCG);
- The change in funding source from Capital Replacement Reserve (CRR) to Capital Grants & Donations (CGD) on projects approved by NT and WCG as part of the 2024/25 roll-over application, which was funded from the CRR on an interim basis pending outcome of the approval process;
- Reductions in projects that were funded from CRR: CGD Roll-overs on an interim basis and where NT did not approve grant roll-over applications.
- Rephasing of internal funds where implementation of projects will continue in the 2026/27; 2027/28 and outer financial years;
- Increase in operating grant-funded projects as funding was re-allocated from the grant-funded capital budget;
- Amendments to ward- and sub council allocation projects supported by subcouncils;
- Upward/downward adjustment of revenue- and expenditure estimates based on current trends;
- Realignment of sundry budgetary provisions resulting from updated implementation programmes; and
- Organisational structure realignment.
- New methodology in respect of construction contingencies: Previously, construction contingencies were budgeted at the project level, locking 10% of each project's budget and limiting optimal fund utilisation and impacting Circular 88 indicator outcome especially at year-end. During this proposed adjustments budget the City will change methodology by budgeting for contingencies at the vote level rather than per project, but also at a reduced contingency amount in the current 2025/26 financial year and rather spreading it across multiple financial years in respect of ongoing projects. This innovative, risk-based strategy unlocked funds that will be reallocated as once-off allocations to accelerate capital delivery and to lessen the impact on the 2026/27 draft Item Review/Capital budget, where work could be brought forward from outer financial years.

Further adjustment details are listed below.

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

The reasons for multi-year shifting are, inter alia:

- Committed 2024/25 conditional grants approved by the NT in terms of section 21(2) of the 2024 Division of Revenue Act, (Act No. 24 of 2024) (DoRA), as amended by the Division of Revenue Amendment Act, (Act No. 48 of 2024) (DoRAA), dated 22 October 2025.
- Committed 2024/25 conditional grants approved by WCG terms of Section 10(2) of the Western Cape Appropriation Act 2024 (Act No. 1 of 2024) dated 13 November 2025.
- Additional funding received from National Treasury in terms of Division of Revenue Act, 2025 (Act No. 2 of 2025) (DORA), Government Gazette No. 53604 dated 30 October 2025.
- Administrative transfers/virements of budgetary provisions as approved in terms of Council's System of Delegations of Powers, and Virement Policy.
- Updated implementation programmes of projects funded from external sources i.e. CGD as well as internal sources i.e. 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 2025/26 capital projects to ensure correct alignment to programmes/routine programmes as per approved definitions.
- Shifting of funding between the operating- and capital budget.

b. Allocations and grant adjustments

Capital grants

- Urban Development Finance Grant - Metro Trading Service Reform (UDFG) (national funding) increases by R401 million additional allocations received from National Treasury.
- Urban Settlements Development Grant (USDG) (national funding) increases by R57,7 million:
 - R19,5 million approved unspent committed 2024/25 conditional allocations; and
 - R38,2 million increase with a corresponding decrease on the operating budget.

- Energy Efficiency and Demand Side Management (EEDSM) Grant (national funding) decreases by R470 000 with a corresponding increase on the operating budget.
- Municipal Disaster Recovery Grant (MDRG) Grant (national funding) increases by R950 000 as a result of approved unspent committed 2024/25 conditional allocations.
- Urban Development Finance Grant - Public Employment Program (PEP) Grant (national funding) increases by R1 million with a corresponding decrease on the operating budget.
- Private Sector funding (unconditional grants) decreases by R13,9 million, reflecting on the following projects:
 - IRT Phase 2A reduces by R13,4 million (Orio funding) in 2025/26 with a corresponding increase in 2026/27.

The detailed design is progressing as planned. However, the prolonged stakeholder engagement process has delayed the commencement of the construction. The procurement contract has therefore been cancelled and a new construction tender initiated, resulting in no construction taking place in the current financial year. Therefore, the budget is being rephased to the 2026/27 financial year.
 - Water Meters New Connections FY26: Reduces by R500 000. The installation of new meter connections is demand driven. The budget provision has been aligned with latest trends.
- Interest Other (unconditional grant) decreased by R7 338 because of savings realised on computers and printers as a result of actual prices being lower than budgeted for.
- Library Services: Metro Library Grant (PT Library: Metro) (provincial funding) increases by R267 782 as a result of approved unspent committed 2024/25 conditional allocations.
- WCG: Municipal Accreditation and Capacity Building Grant (WCG: MACBG) (provincial funding) decreases by R120 719 with a corresponding increase on the operating budget.
- Informal Settlements Upgrading Partnership Grant (ISUPG) (national funding) increases by R30,3 million:
 - R26,6 million approved unspent committed 2024/25 conditional allocations; and
 - R3,7 million increase with a corresponding decrease on the operating budget.
- School Resource Officer Project (WCG - SRO) (provincial funding) increases by R3,9 million with a corresponding decrease on the operating budget.

Operating grants

- Unspent committed 2024/25 conditional grant allocations approved by the WCG resulting in the following increases in 2025/26:
 - R46,7 million on Human Settlements Development grant – beneficiary for the creation of sustainable human settlements;
 - R1 million on Library Conditional grant to cover operational-related expenditure at libraries;
 - R39 173 on Library Periodicals grant for procurement of books, periodicals and subscriptions;
 - R517 on Financial Management Capacity Building Grant to provide bursary opportunities for non-employees;
 - R101 077 on Municipal Accreditation Capacity Building Grant to give effect to the City's accreditation mandate;
 - R303 663 on Municipal Service Delivery and Capacity Building Grant to improve both the social well-being and economic growth by addressing community needs while fostering financial sustainability;
 - R221 602 on Community Developments Workers grant for operational costs pertaining to the functions of the Community Development Workers including supervisors and regional coordinators;
 - R30 529 on Title Deeds Restoration grant for the eradication of the pre-2014 title deeds restoration backlog and the professional fees associated with it, including beneficiary verification; and
 - R39 735 on the Provision for persons with special needs grant to provide mobility to people with disabilities.

- Unspent committed 2024/25 grant allocations approved by NT resulting in the following increase in 2025/26:
 - R13,8 million on the Municipal Disaster Response Grant (MDRG) to alleviate the impact of the disaster by repairing municipal infrastructure damaged by floods during the 2024 calendar year.
 - R3,2 million on Urban Development Financing Grant to be utilised for EPWP Transversal Support.
 - R384 473 on the Expanded Public Works Programme Grant to assist with managing the processing of NRS and Jobseekers database (labour reports) Project.
 - R2,9 million on Urban Settlements Development Grant - VAT claw back to fund infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development.
 - R4 million on Informal Settlements Upgrading Partnership Grant – VAT claw back to facilitate a programmatic and inclusive approach to upgrading informal settlements.
 - R239 996 interest on grant funding to be utilised for the Rail Feasibility Study.

- Interest on grant funding increases by R36 million and is allocated as follows:
 - R17,7 million additional allocation required to fund the staffing costs previously funded from the interest from donors.
 - R3,4 million additional allocation required for the SCM staff-related costs.
 - R3 million additional allocation to be utilised for funding of grant construction contract related contingencies.
 - R12 million additional allocation for the Dial-a-ride project to provide mobility to people with disabilities.
- Energy Efficiency and Demand Side Management Grant increases by R470 000 due to a fund shift from capital budget to operating budget.
- Urban Development Financing grant reflects a net increase of R10 million due the additional funding received for the Organisational Design and Business Improvement – NT reform.
- Private Sector funding (unconditional grants) increases by R239 534 due to additional funding received for the Sustainable Energy Africa and R535 765 for the Chieta Discretionary Grant.
- VAT clawback reflects a net increase of R6,3 million on various projects in line with the revised business plans of the implementing directorates.
- Municipal Accreditation Capacity Building Grant increases by R120 719 due to a fund shift from capital budget to operating budget to supplement staff related funding.
- Interest on Law Enforcement Officers: Health increases by R140 581 due to interest received from the investment of the grant and will be utilised to fund overtime requirements.
- The following decreases were implemented within operating grants and donations:
 - Human Settlement Development Grant (Beneficiaries) decreased by R91,8 million. An application for the Human Settlements Development Grant (Beneficiary linked) rollover was submitted to the Provincial Department on 14 July 2025 as per Provincial Treasury Circular Mun No. 05 of 2025 dated 27 June 2025. A rollover was approved in respect of 2024/2025 unspent funds amounting to R91,8 million based on preliminary figures as the 2024/2025 municipal financial year transactions were not finalised. Provincial Treasury granted rollover approval on 18 August 2025 pending the finalisation of the City's financial statements. This was incorporated in the August 2025 adjustments budget and must now be reversed.

The final approved unspent funds for the HSDG for the 2024/2025 financial year amount to R46,7 million as indicated in the first sub-bullet under the heading **Operating grants** on page 4.

- Urban Settlements Development Grant decreases by R30,2 million mainly due to delayed design approvals received from ESKOM. The funding is reprioritised to ensure optimum grant spending and will be shifted to the capital budget.
- School Resource Officers project Grant decreased by R3,9 million due to the shift from operating budget to capital budget.
- Public Transport Network Grant decreases by R18 million to align with the revised project requirements.
- KFW-Technical Assistance Grant decreases by R21,9 million as a result of delays in project implementation resulting in the funding being shifted to the next financial year.
- Community Facilitation & Technologies grant decreases by R28,8 million, due to delays in the appointment of key personnel. The project is being deferred to the 2026/27 financial year.
- Helderberg Marine Protected Area Grant decreases by R220 000 due to no confirmation of funding being received.
- Interest: RLCC (Regional Land Claims Commission funding) decreases by R5 million due to the delays in finalising the beneficiary administration process (allocation of beneficiaries) the funding is being reprioritised within the outer financial years.

c. Revenue estimates adjustments - upward and downward

- A reduction of R157,6 million on Internal Loan Interest, linked to the review of the capital budget and the capitalisation of assets under construction.
- An net increase of R646,1 million within the Finance Directorate on Interest earned from Current and Non-current investment (R569 million increase) due to better than anticipated interest rates offered in the market and higher than expected cash and investment balances, Property Rates revenue (R150 million increase) as a result of supplementary valuations and Collection Charges recovered (R11,6 million decrease) with a concomitant decrease on collection fees.
- An increase of R13 million on Gains on Disposal of Assets within the Economic Growth Directorate (R7,4 million), Human Settlements Directorate (R3,4 million) and Urban Waste Management Directorate (R2,7 million) due to properties that will be disposed of during the current financial year and auctions that have already taken place.
- A nett increase of R26 million within the Safety & Security Directorate on Fire Fees (R1,4 million increase), Hiring of Municipal Staff (R2,7 million), and Traffic Fines (R24 million increase) and minor decreases on Other Revenue items based on current trends.

- An increase of R3,4 million within the Office of the City Manager mainly on recoveries of operational expenditure based on current trends.
- A nett decrease of R7,4 million within the Spatial Planning and Environment Directorate on various items: Building Levies (R2,6 million decrease), Building Fines (R1,4 million increase), Rezoning Fees (R1 million increase), Special Rating Area (CIDS) (R7,2 million decrease) and Other Revenue items based on current trends.
- A nett decrease of R82,5 million within the Urban Waste Management Directorate on Indigent Relief: Refuse (R37,8 million increase), Indigent Relief: Area Cleaning charges (City-wide cleaning) (R61,5 million increase), Refuse removal (R10,3 million decrease), Area Cleaning Charges (City-wide cleaning) (R75,1 million decrease), Electricity Sales- Green Electricity (R94 million decrease) and various other items reflect adjustments based on current trends and projected outcome.
- An increase of R423 million within the Water & Sanitation Directorate on various revenue items (i.e. interest earned from receivables, service charges water (R92,4 million increase), service charges sanitation (R2,6 million decrease), collection charges recovered (R19,2 million decrease), internal utilities revenue (R71,6 million increase) and other revenue based on current trends and revised projections.

d. Expenditure estimates adjustments - upward and downward

- A reduction of R45,3 million on CAR mainly on employee related costs due to savings realised during the recruitment and selection process.
- A reduction of R157,6 million within various directorates on Internal Interest Charges due to revised EFF-funded capital projects based on the City's affordability and implement-ability, and the earlier than originally expected capitalisation of assets under construction resulting in less interest being charged.
- A reduction of R632,1 million once-off saving on Salaries, Wages and Allowances within various directorates (Rates and Tariff funded services) due to the turnaround time and the internal filling of vacancies.
- R4,2 million decrease in Group Life premiums based on the new rate as per the City's insurer.
- R2,6 million decrease on Depreciation Charges based on current capitalisation trends.

- The above projected additional revenue and savings on expenditure will be utilised to redress budget imbalances within various directorates as indicated below:
 - Once-off budget allocations stemming from the Strategic Management Framework process as indicated in the table below:

Directorate	Amount	Summarised Details
Community Services & Health	30 000 000	Facilities maintenance and management
Corporate Services	11 999 088	Funding will be utilised for: • Installation of Calcium Silicate Fire-Rated Cladding for Electrical Rooms • Repairs and maintenance for Municipal Courts • Repairs and maintenance of podium roof • Scoping and concept design for additional seating to Council Chamber • UPS Maintenance
Economic Growth	700 000	Three Anchor Bay - Proposed Mixed Use Development
Future Planning & Resilience	7 000 000	Capacity to implement performance areas for NT Reform process
Office of the City Manager	283 000	Training required for the implementation of a New Electronic Working Paper Solution
Human Settlements	10 000 000	Development and pilot for disposal model for multi-storey blocks
Safety & Security	2 400 000	Funding will be utilised for: • Repairs and maintenance of Service Animal Unit facilities • Initiation of a comprehensive city-wide disaster risk assessment, mandated to be updated every five years
Spatial Planning & Environment	15 000 000	Funding to address: • Capacity gaps related to support scaling up of project prep and implementation of Quality Public Places • Project prep studies and programme benefit management - Bellville
Urban Mobility	39 000 000	Cleaning of stormwater systems
Water & Sanitation	7 000 000	Preparation for the master planning and hydraulic modelling.
Total	123 382 088	

- Service Enhancement to improve service delivery in various directorates as indicated in the table below:

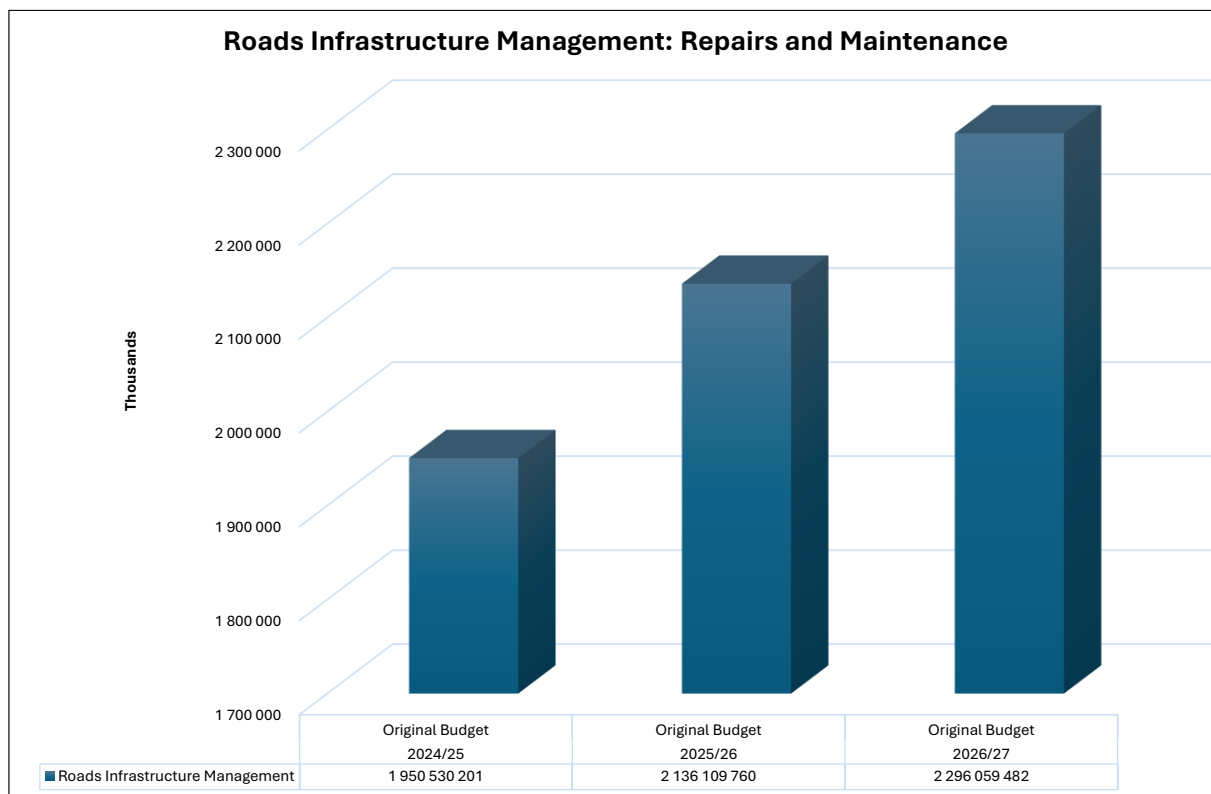
Directorate	Amount	Summarised Details
Community Services & Health	965 000	Additional funding for the grants and sponsorships for Big 5 Arts and Culture beneficiaries.
Economic Growth	21 113 800	Funding will be utilised for: • Expansion of the Global Footprint for the “This is Cape Town” Campaign • Security costs • To cover the current shortfall on the demolition of three properties • To address safety concerns at Athlone Stadium during the year, as well as the further studies that were conducted, that consultancy work is required for the resubmission of Athlone Stadium Phase 4 to the Concept Design Stage Gate review. This is to ensure the whole completed stadium and the whole site and adjoining CCT properties are considered for emergency evacuation, crowd management, transport and SASREA compliance.
Finance	11 000 000	Funding will be utilised for: • The successful implementation of the General Valuation (GV) 2025 process in terms of the Municipal Property Rates Act (MPRA), Act 6 of 2004. • Lease agreement funding required as from 1 January 2026 for the Cape Town Stadium
Office of the City Manager	11 250 000	Funding will be utilised to address: • Shortfall on legal costs. • Cost related to Mitchell’s Plain 50-year event, Atlantis 100-year event and Mfuleni 50th celebration.
Safety & Security	33 152 292	Funding will be utilised to address: • Budget shortfall for events. • Traffic study for events in Green Point. • Security concerns at the Bishop Lavis Construction Project.

Directorate	Amount	Summarised Details
Urban Mobility	11 500 000	Funding will be utilised for: - Contracted services required for the concept and detail design in respect of the Elsieskraal River Catchment project. - Scoping study to enable targeted municipal transport investment in Small Scale Rental Units for Langa, Dunoon and Phillipi areas supporting resilient, service-ready urban environments that enable dignified, legal, and sustainable densification.
Total	86 981 092	

- R14,4 million performance incentive rewards allocated to the following Directorates as a result of good cash collection:
 - Economic Growth – R1,9 million
 - Safety & Security – R10,9 million
 - Human Settlements – R1,6 million
- R439 million nett increase within the Water & Sanitation Directorate funded from savings and increased revenue based on current trends. The amendments were on various expenditure items, and these savings will be utilised to address budget gaps within this directorate based on current trends and future projections.
- R3,1 million transferred from Corporate Services Directorate to Urban Mobility Directorate (R706 900), Urban Waste Management Directorate (R700 000) and Community Services & Health Directorate (R1,7 million) for the Mayoral Rapid Response Programme within Sub Council 6.
- R4,6 million transferred from Community Services & Health Directorate to Spatial Planning & Environment Directorate to manage facilities.
- R7,2 million decrease within Spatial Planning & Environment for the removal of the Tamboerskloof City Improvement District as it did not materialise.
- R5 million transfer to CRR to fund the City's contribution for the waiver of ECD, development charges.
- R57,4 million increase in Urban Mobility funded by VAT Clawback to fund additional MiCity Vehicle Operator Costs.

- An increase of R36,4 million on the Contribution to Bad Debt provision due to the increase in property rates revenue within the Finance Directorate (R6,4 million) and Urban Waste Management Directorate (R30,3 million). The collection ratio for Refuse Collections and City-wide Cleaning has been adjusted (1% upwards and 7% downwards respectively), based on the latest trends and projections.
- Irrecoverable debt written off increased by R75,4 million within the Human Settlement Directorate with a concomitant increase on Bad Debts written off based on the current collection ratio.
- R312,8 million top-up on Post-Retirement Medical Aid (PRMA) provisions based on the latest actuarial valuation within the following directorates:
 - Energy – R40,8 million;
 - Rates Funded Services – R200 million;
 - Water & Sanitation – R4,5 million; and
 - Urban Waste Management – R26,9 million.
- R132.2 million additional allocation for the 2024/25 performance-based increments.
- Additional amendments relating to administrative transfers of budgetary provisions included the following:
 - Budgetary shifts on various operating projects, and repairs and maintenance provisions; and
 - Amendments on sundry expenditure items including operating projects, and ward allocations, which are proposed in accordance with the approved System of Delegations and the Virement Policy. These transfers do not affect the total budget quantum.

The Repairs and Maintenance budget base for Road Infrastructure was increased by R150 million in the 2025/26 financial year, over and above the CPI +1% increase. In the 2026/27 financial year a further top-up of R200 million increase was applied as indicated in the chart below. Therefore, no further changes are proposed in this adjustment budget on this expenditure item.



e. Administrative transfers/virements of budgetary provisions

Capital budget

Administrative transfers/virements of budgetary provisions, as approved in terms of Council's System of Delegations of Powers and the Virement Policy, and processed in the City's accounting system up to 21 November 2025.

Operating budget

Administrative transfers of budgetary shifts in accordance with Council's System of Delegations of Powers and the Virement Policy. These transfers do not affect the total operating 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 adjustments budget for the 2025/26 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 3** on page 34.
 - ii. Operating revenue and expenditure by municipal vote reflected in **Table 4** on page 36.
 - iii. Operating revenue by source and expenditure by type reflected in **Table 5** on page 37.
 - iv. Capital appropriations by vote reflected in **Table 6** on page 39, and Annexure 2.1 and Annexure 2.2.
 - v. Capital expenditure by standard classification reflected in **Table 6** on page 39.
 - vi. Capital funding by source reflected in **Table 6** on page 39.
 - vii. Budget Financial Position reflected in **Table 7** on page 41.
 - viii. Budgeted Cash Flow statement as reflected in **Table 8** on page 43.
- b. That Council notes the impact of the 2025/26 adjustments budget (January 2026) on the 2026/27 and 2027/28 financial years.
- c. That the Cape Town International Convention Centre's adjustments budget for the 2025/26 financial year be approved and adopted, as set out in the following table:
 - i. Operating revenue by source and expenditure by type reflected **Table 23** in on page 71.
 - ii. Budget Financial Position reflected in **Table 25** on page 73.
 - iii. Budgeted Cash Flow statement as reflected in **Table 26** on page 74.
- d. That the Cape Town Stadium's adjustments budget for the 2025/26 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 28** on page 76.
- e. That adjustments to operating ward allocations, as set out in Annexure 1.2, be approved.
- f. That adjustments to sub council allocations, as set out in Annexure 1.3, be approved.
- g. That the amended 2025/26 IDP Financial Plan, as set out in annexure 3, be used to update the approved IDP Financial Plan.
- h. That Council considers the projected cost covering all financial years until a project is operational as well as future operational costs and revenue on projects/programmes, to give effect to Section 19(2) and 19(3) of the MFMA and approve all projects and programmes as listed in Annexures 2.1 to 2.4 and Annexure 4.
- i. That individual projects with a total project cost in excess of R50 million (to give effect to Section 19(1)(b) and 19(2) of the MFMA and Regulation 13(1)(b) of the MBRR be approved.

3. Executive Summary

3.1. General

Matters proposed for incorporation into the adjustments budget are listed below.

3.2. Provision of basic services

The budget 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

Details of proposed amendments to the 2025/26 operating budget are reflected in Annexure 1.1 to this report.

3.3.2. Adjustments to the capital budget

Details of amendments to the 2025/26 capital budget are outlined in Annexure 2.2.

Implementation progress achieved on the capital budget, when measured against planned year-to-date (YTD) expenditure, for the respective funding sources at the end of the mid-year period (December 2025), are:

Funding Source R Thousand	YTD Planned Spend	YTD Actual Spend	Implementation Progress
Capital Replacement Reserve (CRR)	556 248	512 839	92.20%
Capital Grants & Donations (CGD)	1 578 442	1 542 782	97.74%
External Financing Fund (EFF)	3 052 404	2 840 309	93.05%
Revenue	171 277	165 853	96.83%
All funding sources (YTD Total)	5 358 372	5 061 782	94.46%

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

Funding Source R Thousand	Budget	YTD Actual Spend	Implementation Progress
Capital Replacement Reserve (CRR)	1 280 924	512 839	40.04%
Capital Grants & Donations (CGD)	3 864 159	1 542 782	39.93%
External Financing Fund (EFF)	8 034 929	2 840 309	35.35%
Revenue	356 936	165 853	46.47%
All funding sources (Total)	13 536 948	5 061 782	37.39%

Based on the aforementioned implementation rates, fund shifts in relation to the capital programme for 2025/26 are proposed as reflected in the ensuing table.

Table 1 Fund shifts in relation to the capital programme for 2025/26

Major Fund Source	Original Budget	Proposed Budget	Increase/ Decrease
R Thousand			
Capital Replacement Reserve (CRR)	1 280 924	828 384	(452 540)
Capital Grants & Donations (CGD)	3 864 159	4 344 729	480 569
External Financing Fund (EFF)	8 034 929	7 943 122	(91 807)
Revenue	356 936	359 328	2 392
TOTAL	13 536 948	13 475 562	(61 386)

The major increases and decreases in the 2025/26 financial year, as reflected in Table 1, are explained below.

CGD amendments

- Urban Development Finance Grant - Metro Trading Service Reform (UDFG) (national funding) increases by R401 million additional allocations received from National Treasury.
- Urban Settlements Development Grant (USDG) (national funding) increases by R57,7 million:
 - R19,5 million unspent approved committed 2024/25 conditional allocations; and
 - R38,2 million increase with a corresponding decrease on the operating budget.
- Energy Efficiency and Demand Side Management (EEDSM) Grant (national funding) decreases by R470 000 with a corresponding increase on the operating budget.
- Municipal Disaster Recovery Grant (MDRG) Grant (national funding) increases by R950 000 as a result of approved unspent committed 2024/25 conditional allocations.
- Urban Development Finance Grant - Public Employment Program (PEP) Grant (national funding) increases by R1 million with a corresponding decrease on the operating budget.
- Private Sector funding (unconditional grants) decreases by R13,9 million, reflecting on the following projects:
 - IRT Phase 2A reduces by R13,4 million (Orio funding) in 2025/26 with a corresponding increase in 2026/27.
The detailed design is progressing as planned. However, the prolonged stakeholder engagement process has delayed the commencement of the construction. The procurement contract has therefore been cancelled and a new construction tender initiated, resulting in no construction taking place in the current financial year. Therefore, the budget is being rephased to the 2026/27 financial year.
 - Water Meters New Connections FY26: Reduces by R500 000. The installation of new meter connections is demand driven. The budget provision has been aligned with latest trends.

- Interest Other (unconditional grant) decreased by R7 338 because of savings realised on computers and printers as a result of actual prices being lower than budgeted for.
- Library Services: Metro Library Grant (PT Library: Metro) (provincial funding) increases by R267 782 as a result of approved unspent committed 2024/25 conditional allocations.
- WCG: Municipal Accreditation and Capacity Building Grant (WCG: MACBG) (provincial funding) decreases by R120 719 with a corresponding increase on the operating budget.
- Informal Settlements Upgrading Partnership Grant (ISUPG) (national funding) increases by R30,3 million:
 - R26,6 million approved unspent committed 2024/25 conditional allocations; and
 - R3,7 million increase with a corresponding decrease on the operating budget.
- School Resource Officer Project (WCG - SRO) (provincial funding) increases by R3,9 million with a corresponding decrease on the operating budget.

CRR amendments

CRR decreases by R452,5 million and R49,7 million in 2025/26 and 2026/27 respectively and increases by R93,2 million in 2027/28, mainly due to:

- Previously, construction contingencies were budgeted at the project level, locking 10% of each project's budget and limiting optimal fund utilisation. To improve flexibility and capital delivery, the City has adopted a new methodology: budgeting contingencies at the vote level rather than per project. This innovative, risk-based strategy is expected to unlock funds and accelerate capital delivery. This change has resulted in amendments across several directorates:

Directorate	2025/26
R Thousand	Increase/Decrease
Community Services & Health	(3 567)
Economic Growth	811
Finance	3 690
Human Settlements	(44 304)
Urban Mobility	(200 450)
Water & Sanitation	2 000
Grand Total	(241 820)

- Reduction in CRR: CGD Rollovers of R77,4 million resulting from the change in funding source from CRR to CGD, where projects were approved by the NT and the WCG as part of the 2024/25 roll-over application or, where roll-overs were not approved, existing grant funding or EFF is being utilised to implement the project, which were funded from the CRR on an interim basis pending outcome of the approval process. The following directorates were funded by CRR on an interim basis:

Directorate R Thousand	2025/26 Decrease
Community Services & Health	(2 827)
Human Settlements	(15 002)
Urban Mobility	(44 533)
Water & Sanitation	(15 037)
Grand Total	(77 399)

- Capital ward allocation projects decrease by R994 564 in 2025/26, and increase by R1 035 870 in 2026/27, due to:
 - Savings amounting to R635 870 realised on completed projects in 2025/26 and being returned to Subcouncils in 2026/27.
 - An increase of R41 306 on the capital budget in 2025/26 with a corresponding decrease on the operating budget, as supported by subcouncils.
 - Subcouncil 11 decreases by R400 000 due to funds no longer being required as the project was completed in the previous financial year. The funding can therefore be rephased from 2025/26 to 2026/27 to be reallocated to alternate capital projects.
- Corporate Services

A decrease of R35,7 million in 2026/27 and an increase of R95,8 million in 2027/28 are mainly attributable to the following projects:

 - EPIC - Emergency Police Incident Control project decreases by R95,8 million in 2026/27 with a corresponding increase in 2027/28 due to the revised implementation plan.
 - Fleet Replacement FY27 increases by R60,1 million in 2026/27 following a comprehensive review of the Fleet Replacement Plan, where it was determined that the budget provision allocated for the 2026/27 financial year is insufficient to replace the fleet assets scheduled for renewal. Inadequate funds will lead to increased risks of vehicle downtime, escalating maintenance costs, and potential disruptions to service delivery. Therefore, additional funding is required to address the shortfall and ensure continuity in fleet replacement as per the approved strategy.

Energy

Decreases of R81 million, R19,5 million and R10,4 million in 2025/26, 2026/27 and 2027/28 respectively are mainly attributable to the following projects:

Project Description R Thousand	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease	Reason
System Equipment: Replacement	(67 790)	(2 112)	(5 139)	Change of fund source from CRR to Urban Development Financing grant. Project meets the requirements for the new Urban Development Financing grant. Furthermore, budget is being reduced due to the revised implementation plan.
Hout Bay LV Depot	(1 341)	–	–	Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level.
Noordhoek LV Depot	23 749	(18 453)	(5 296)	A portion of funding rephased from 2026/27 to 2025/26 financial year as the LUM approval/statutory approval came through earlier than anticipated. Furthermore, budget is being reduced due to the revised implementation plan.
High Voltage Cable Replacements	(565)	565	–	Funding rephased to 2026/27 financial year from 2025/26, as environmental rehabilitation of the wetland area will only be completed in the 2026/27 financial year.
Electricity Generation	–	500	–	Additional funding required for the replacement fencing at Steenbras power station. Existing fence to be replaced as it has reached the end of its useful life.
MV Switchgear Refurbishment	(23 200)	–	–	Change of fund source from CRR to Urban Development Financing grant. Project meets the requirements for the new Urban Development Financing grant.
HV Substations System Equipment Upgrades	(7 400)	–	–	Change of fund source from CRR to Urban Development Financing grant. Project meets the requirements for the new Urban Development Financing grant.
HV Substations System Equipment Replacement	(1 500)	–	–	Change of fund source from CRR to Urban Development Financing grant. Project meets the requirements for the new Urban Development Financing grant.
HV Substations Facilities Upgrades	(3 000)	–	–	Change of fund source from CRR to Urban Development Financing grant. Project meets the requirements for the new Urban Development Financing grant.
Total	(81 046)	(19 500)	(10 435)	

Human Settlements

Decreases of R3,3 million, R13,2 million and R15,5 million are proposed in 2025/26, 2026/27 and 2027/28 respectively, due to:

- Change of funding source from CRR to USDG as the following projects now qualify for grant funding:
 - Plan & Detail Design: Housing Projects reduces by R1,8 million in 2025/26.
 - Strandfontein Integrated Housing reduces by R1,4 million in 2025/26.
 - New Crossroads Housing Project reduces by R983 759, R13,2 million and R15,5 million in 2025/26, 2026/27 and 2027/28 respectively.
- Strand Infill Housing Project increases by R1 million in 2025/26 due to additional funding required to accommodate households currently residing within the N2 Road Reserve. The project is a priority intervention aimed at relocating families living in unsafe and unsuitable conditions, in line with the City's commitment to improving living environments and ensuring compliance with road reserve safety regulations.

Urban Mobility

A decrease of R18 million in 2025/26 and increases of R17,7 million and R23,3 million in 2026/27 and 2027/28 respectively are proposed on the following projects:

Project Description R Thousand	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease	Reason
Dualling: Jip De Jager: Kommissaris to Van Riebeeckshof	(92)	–	–	Project has been completed; savings realised. Remaining budget to be utilised for the close out of the project.
Stormwater Upgrade Programme	2 600	–	–	A critical need has been identified to address recurring stormwater flooding in flood-prone areas across the City. Therefore, funds are required to upgrade and modify existing urban stormwater drainage systems in localised high-risk zones.
Kraaifontein Stormwater Upgrades	(2 500)	–	2 500	Project is in concept design phase. The professional service provider is unavailable, which has resulted in a lengthy delay, therefore no funds will be spent in 2025/26 financial year. Funding is being rephased from 2025/26 to 2027/28 to commence with the construction.
Road Construction: Saxdowns Road between Langverwacht Road and Van Riebeeck Road	(125)	–	–	Project has been completed with savings realised and the remaining balance will be utilised for the close out of project.
Road Upgrade: Amandel Road: Bottellary River to Church Street	(142)	–	–	The project has been completed and currently in the defects liability period, which will be expiring in February 2026; Savings realised.
M3 Corridor: Hospital Bend to Constantia Main Road	(11 874)	(2 467)	20 788	A substantial portion of the budget will not be spent in the current financial year due to delays with handover between professional services provider's due to a tender change. Therefore, a portion of the project is being rephased from 2025/26 and 2026/27 to 2027/28. Furthermore, additional funding is required based on the latest fee proposal received from the contractor.
Road Dualling: Berkley Road: M5 to Ryger Street	9 037	43 108	–	Project is in detail design stage. Project continues to have property acquisition related issues, the latest being financial compensation and proposed partial demolition plans by the property owners, and will only be concluded March 2026. Based on the latest valuation report received from Property Management Department indicated additional funding will be required in the current financial year. Furthermore, additional funding is required based on latest fee proposal received from the contractor.
Intersection Upgrade: De Waal Road & Main Road	(15 009)	13 697	–	Project is being rephased to the 2026/27 financial year and outer financial years due to the unlawful land occupation. Court proceedings in process for eviction.
Congestion Relief - Erica Drive	(30)	(1)	–	Reduction in budget required based on latest fee proposal received from the professional services provider.
Road Upgrade: Voortrekker Road : Salt River Circle-Jakes Gerwel Drive	–	(36 638)	–	Construction is only planned to commence in February 2027 due to a protracted tender process therefore a reduced budget is required for the 2026/27 financial year.
Kommetjie Road Dualling (Phase 3)	(548)	–	–	Based on the latest fee proposal received from the contractor, additional funding is required. Other: R-848 626 - Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level.
Ravensmead Culvert Upgrade	670	–	–	A critical need has been identified to address the recurring stormwater flooding in the flood-prone areas across the City. Therefore, funding is required to upgrade and modify existing urban stormwater drainage systems in localised high-risk zones, to mitigate ongoing flood risks, enhance public safety, and ensure a secure environment for both road users and residents.
Total	(18 014)	17 700	23 288	

Water & Sanitation

A decrease of R30 million in 2025/26, on the following projects:

- Cape Flats Aquifer Recharge: R27 million decrease of contingency provision to align with the latest budgeting approach.
- Zevenwacht Reservoir and Network: R3 million decrease. The project is being rephased to the outer financial years due to the ongoing delay with the land acquisitions necessary for the construction of the Zevenwacht reservoir. Additionally, current engagements are underway to consider alternative solutions, which may impact the project scope.

EFF amendments

The net decrease in EFF across directorates amounts to R91,8 million, R405,8 million in 2025/26 and 2026/27 respectively and an increase of R626,7 million in 2027/28, as reflected in the table below.

Directorate	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease
R Thousand			
Community Services & Health	3 830	23 170	31 752
Corporate Services	233 378	(355 280)	410 451
Economic Growth	(4 057)	–	–
Energy	(24 870)	–	–
Finance	(3 291)	4 470	126 206
Future Planning & Resilience	15 336	6 278	–
Human Settlements	98 453	–	–
Office of the City Manager	9 635	(26 040)	26 040
Safety & Security	76 891	(18 200)	(75 393)
Spatial Planning & Environment	(87 260)	(47 193)	–
Urban Mobility	(21 881)	7 000	107 693
Water & Sanitation	(387 972)	–	–
Grand Total	(91 807)	(405 794)	626 748

Reasons for amendments per directorate as reflected in the preceding table are listed in the ensuing pages.

■ Community Services & Health

Increases of R3,8 million, R23,2 million and R31,8 million in 2025/26, 2026/27 and 2027/28 respectively. Some of the amendments are:

Project/Programme Description R Thousand	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease	Reason
Community Services & Health: Facility Upgrades	3 261	–	–	Additional funding is required to cater for contract price adjustments on tenders.
Develop New Homeless Accommodation	(959)	959	–	Project has been rephased from 2025/26 to 2026/27 due to Planning & Development Portfolio Management Office (PDPMO) capacity constraints.
Homeless Accommodation Upgrade & Extensions	4 655	(9 385)	10 385	2025/26 a) R 6 314 106 - Funds are required for the completion of detailed design, internal construction works in the facility due to the quotations that came in higher. b) R182 000 - Funds are required for the installation of the water chamber in the facility, works that was discovered during the implementation of the project. c) R1 000 000 - Project rephased to 2027/28 due to PDPMO capacity constraints. d) R840 685 - Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level. 2026/27 Project rephased to 2027/28 due to PDPMO capacity constraints.
Integrated Recreation & Parks Facilities	(969)	–	–	Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level.
Strandfontein Clubhouse Development	(774)	(17 862)	18 636	Project is being rephased from 2025/26 and 2026/27 to 2027/28 due to unavailability of suitable tender and additional funding required as quotations for construction came in higher than initially anticipated.
Library Upgrades and Extensions	(115)	–	–	Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level.
Lwandle Community Library Upgrade	(2 874)	2 874	–	Construction portion of the project is being rephased from 2025/26 to 2026/27 due to unavailability of tender. Alternative mechanism to be identified.
National Core Standards Compliance	(6 916)	–	6 916	a) R4 916 158 - Due to plans not approved in time for construction to commence, portion of project will be rephased from 2025/26. b) R2 000 000 - Funds are being rephased from 2025/26 due to unavailability of suitable tender.
Regional Parks Upgrade Programme	(1 400)	1 400	–	Funds are being rephased from 2025/26 due to PSP quotation coming lower than anticipated and alignment with latest implementation plan.
Rebuild of Suider Strand Library	–	19 925	(19 925)	Funds brought rephased to 2026/27 in order for project to commence detail design.
Strandfontein Pavilion Refurbishment	11 285	(6 860)	–	Funds brought rephased from 2026/27 to 2025/26 due to good contractor performance.
Furniture & Equipment: Replacement	–	(30)	30	Funds will be reprioritised from CPX0024361-F1 - Office Equipment: Additional FY27 for the procurement of office equipment replacement.

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Project/Programme Description R Thousand	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease	Reason
Swimming Pool Upgrades	15 917	21 083	10 000	Additional funding required to address critical upgrades identified during recent condition and risk assessments of the City's swimming pools and spray parks. These assessments revealed ageing infrastructure, structural defects, and health and safety hazards that must be resolved to ensure operational readiness, compliance, and uninterrupted seasonal service. This need was not included in the original budget because the full extent of the deterioration, risks, and complex upgrade requirements only became clear after detailed inspections were completed. The expanded scope of work, coupled with new compliance obligations and ageing infrastructure, resulted in funding needs that were not foreseeable during the initial budgeting process. Tender to be utilised DP9174Q/2025/26 to implement the required upgrades at the following facilities: Delft, Manenberg, Bellville South, Goodwood, Langa, and Lentegeur.
Upgrades to City Health Facilities	–		4 710	a) R3 293 160 - Project is being rephased from 2025/26 due to unavailability of suitable tender and being broken into individual projects for better line of sight. Reprioritised from CPX.0025180-F1 - Upgrade EH Offices - South FY26. b) R1 416 359 - Project is being rephased from 2026/27 and being broken into individual projects for better line of sight. Reprioritised from CPX.0016817-F1 - National Core Standards - North FY27.
Upgrade to Health facilities	(5 985)	771	–	a) R5 293 160 - Project is being rephased to outer financial years due to unavailability of suitable tender and being broken into individual projects for better line of sight. b) R686 988 - Funding being rephased to 2026/27 due to unavailability of suitable tender for the supply and installation of UPSs. c) R4 415 - Construction contingency reduced to align with new methodology on budgeting for contingencies at a vote level rather than project level.
Tafelsig Clinic Extensions and Upgrade	(3 262)	3 262	–	Funds are being rephased from 2025/26 due to unavailability of suitable tender.
Upgrades to Clinics	(8 034)	7 034	1 000	The project is being rephased from 2025/26 to 2026/27 and 2027/28 due to PDPMO capacity constraints and due to unavailability of suitable tender.
Grand Total	3 830	23 170	31 752	

- Corporate Services

An increase of R233,4 million in 2025/26, a decrease of R355,3 million in 2026/27 and an increase of R410,5 million in 2027/28 are proposed mainly due to:

- A review was conducted of the Core Application Refresh (CAR) programme and the budget revised to align to the latest implementation programme. This resulted in an increase of R48,3 million in 2025/26, a decrease of R371,2 million in 2026/27 and an increase of R395,9 million in 2027/28 on the following projects within the programme.

CAR Programme R Thousand	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease	Reason
EPIC - Emergency Police Incident Control	(5 368)	(378 650)	384 018	Funding rephased to 2027/28, due to the revised implementation plan.
Finance and Operational Core Software	(19 300)	7 404	53 644	Additional budget required to support the SAP S/4HANA upgrade under the CAR program. Additional infrastructure funding is required for equipment not covered by the current CAR budget. This infrastructure is essential to host all future non-production SAP S/4HANA environments. Budget to be rephased from 2025/26.
IT: CAR Infrastructure	73 000			Additional budget required to support the SAP S/4HANA upgrade under the CAR program. Additional infrastructure funding is required for equipment not covered by the current CAR budget. This infrastructure is essential to host all future non-production SAP S/4HANA environments.
Records & document management software	–	–	(41 747)	Funding to be reprioritised within the CAR programme to Finance and Operational Core Software.
Total	48 332	(371 246)	395 914	

- Amendments were also proposed to the Telecoms Infrastructure Replacements programme, where additional funds are required to upgrade and standardise the City's Data Centres to ensure the facilities meet the required standards for reliability, safety, and compliance. A comprehensive scope of work has been developed to address the requirements. This scope includes the upgrade and integration of critical infrastructure systems essential for modern data centre operations, identified through a risk assessment conducted in July 2025. These upgrades were not included in the original scope. Furthermore, the replacement of end-of-life components, and migration to next-generation technology for the Metro Area Network is critical to support growing bandwidth demand, maintain service level agreements, and ensure long-term network resilience and scalability. This resulted in an increase of R133 million, R12,1 million and R26,6 million in 2025/26, 2026/27 and 2027/28 respectively.

- Furthermore, some additional amendments to the following projects/programmes were proposed:

Project Description	2025/26 Increase/ Decrease	2026/27 Increase/ Decrease	2027/28 Increase/ Decrease
R Thousand			
Air Conditioner Installations	550	–	–
Brackenfell Complex - Roof Replacement		–	(1 530)
Corporate Accommodation	–	–	(2 642)
Corporate Facility Upgrades	4 063	–	–
Corporate Serv Contingency Provisions	228	–	–
Distributed Computing systems	(1 549)	–	–
e-HR	2 000	600	(600)
Facilities Upgrade Area 2: Somerset West	(297)	–	–
Fleet & Plant: Replacement	30 000	2 500	(4 150)
Fleet Facilities Upgrade & Renovations	(870)	870	–
Furniture & Office Equipment: Add - PPU	–	–	(300)
Furniture & Office Equipment: Additional	7 750	(110)	(170)
Furniture & Office Equipment: Replacement	3 072	(72)	–
Install electrical power supply: TMC	–	–	(1 300)
Inter-networking service Enhancement	(776)	–	–
IT Equipment Replacement	2 100	–	–
IT Equipment: Add - Public Participation	–	–	(350)
IT Equipment: Additional	1 720	(150)	–
IT Equipment: Replacement	3 903	(200)	(1 025)
IT: Infrastructure Hardware	–	(5 000)	
LAN Switch Replacement Programme	946	–	–
Pleaar Rd Roof Replacement: Area 1	279	3 656	–
Radio Infrastructure	–	1 549	–
Security Hardening - Citizen Interface	(1 050)	–	–
Tools & Equipment: Replacement	–	200	–
Grand Total	52 069	3 842	(12 067)

■ Economic Growth

A decrease of R4,1 million mainly due to:

- the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level; and
- the detailed design of a few projects being deferred to 2026/27 due to delays in the completion of the project preparation work.

- Energy

A decrease of R24,9 million in 2025/26 mainly due:

- to the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level;
- the rephase of Paardevlei 132/66kV Stepdown to 2026/27 in order to align with the revised implementation plan; and
- funds transferred to Water & Sanitation Directorate for the use on energy efficiency initiatives, e.g. variable speed drive.

- Finance

A decrease of R3,3 million in 2025/26 and an increase of R4,5 million and R126,2 million in 2026/27 and 2027/28 respectively are proposed on the following projects:

- Inventory Stores Security Hardening increased by R240 000 in 2025/26 for the implementation of the security hardening at the Bellville Roads Sacks Circle store to prevent stock losses.
- IT Equipment: Replacement increase by R159 344 in 2025/26 for the replacement of laptops to be compatible with CAR.
- Floodlights: Replacement decrease by R1,8 million in 2025/26 due to the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level.
- Audio Visual Equipment: Replacement decreased by R1,9 million in 2025/26 due to the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level.
- Generator controllers: Upgrade increased by R3,5 million in 2026/27 for the upgrade of generator controllers at Cape Town Stadium to ensure reliable power supply and operational continuity. The current generator controllers have become obsolete.
- Rental Units in Cape Town Stadium increase by R970 000 and R126,2 million in 2026/27 and 2027/28 respectively for the construction of rental units within Cape Town Stadium. These units are strategically planned to enhance the stadium's financial sustainability by creating a consistent revenue stream.

- Future Planning & Resilience

Increases of R15,3 million and R6,3 million in 2025/26 and 2026/27 respectively are proposed due to additional funding required to implement critical SAP PPM and CRMS enhancements. Following the system freeze, new reporting and functionality requirements were identified to address Auditor General (AG) risks and strengthen capital portfolio reporting, necessitating separate projects for implementation, on the following:

- Integration and Enhancement of PPM: Increases by R7,1 million and R3,4 million in 2025/26 and 2026/27 respectively; and
- Contract Management Maturity Model: Increases by R8,2 million and R2,9 million in 2025/26 and 2026/27 respectively.

- Human settlements

An increase of R98,5 million in 2025/26 is proposed, for additional requests on the following projects:

Project Description R Thousand	2025/26 Increase	Reason
Furniture & Office Equipment: Additional	525	To procure furniture due to the re-alignment and newly appointed staff.
IT Equipment: Replacement	6 205	To replace obsolete printers within the public housing department.
IT Equipment: Additional	1 670	To procure additional laptops for newly appointed staff.
Major Upgrading of Depots	2 000	To attend to urgent roof replacement at Grassy Park Depot.
Asset Upgrade - Routine Prog - Central	5 189	To urgent plumbing requirements within in Area Central as a result of the increased health and safety risks.
Asset Upgrade - Routine Prog - North	40 000	To attend to urgent replacement of staircases in Area North as a result of the increased risk of injuries to tenants due to the age and poor condition thereof.
Asset Upgrade - Routine Prog - South	19 109	To attend to urgent replacement of roofs and windows in Area South as a result of the a petition received form the Lavendar Hill community.
Asset Upgrade - Routine Prog - East	23 756	To attend to urgent window replacement requirements within in Area East as a result of the increased health and safety risks.
Total	98 453	

- Office of the City Manager

An increase of R9,6 million in 2025/26 and a decrease of R26 million in 2026/27 with a corresponding increase in 2027/28 are proposed on the following projects:

- Furniture & Office Equipment: Additional increase by R 977 816 in 2025/26 to procure shelving for the registry section's records to be archived. This is required to be compliant with the Records Management Archive Procedures. Furthermore, funds are required to procure boardroom furniture to ensure the new location is functional for operational purposes.
- Case Management System increase by R8,7 million in 2025/26 due to tender prices coming in higher than expected.
- IT Equipment: Replacement was reduced by R291 in 2025/26 due to savings realised.
- Construction Court: Blue Downs Project reduced by R26 million in 2026/27 with a corresponding increase in 2027/28 due to the detail design and the tender process that will not be completed in 2026/27 and therefore the budget to be rephased to 2027/28.

■ Safety & Security

An increase of R76,9 million in 2025/26 and a decrease of R18,2 million and R75,4 million in 2026/27 and 2027/28 respectively are proposed mainly due to additional funding required in 2025/26 on implementation-ready projects brought forward from 2026/27 and 2027/28.

The additional funding required for 2025/26 is proposed for the following projects:

Project Description R Thousand	2025/26 Additional Request	Reason
IT Equipment: Additional	50	Additional computers that were not compatible with windows 11. Bringing budget forward from CPX.0023288-F1: Computers: Additional FY27.
Vehicles: Additional	16 332	To supplement the additional vehicles expenditure covered by fleet services in respect of vehicles deployed to the Neighbourhood Safety Officers and Escorts initiatives established within Safety and Security.
Joint Policing Centre: Upgrade & Refurbishment	45 262	IS&T infrastructure at the newly acquired Joint Policing Centre. The work is being brought forward into the current financial. Tender 342S/2021/22 will be utilised
New Wynberg Municipal Court & SS Facility	2 353	Professional services for the construction of new Wynberg Municipal court. The work is anticipated to be completed by 30 June 2026. Tender 171C/2022/23 will be utilised.
IT Equipment: Additional	1 860	To procure laptops for new staff members joining the Civilian Affairs unit. These positions were initially classified as operational and therefore not scheduled to receive individual laptops, as operational staff use shared PCs. However, due to the significant administrative workload anticipated from the onboarding of 800 new departmental employees, these individuals will now be responsible for managing operational administration tasks.
IT Equipment: Additional	1 053	Additional funding is required to address the shortfall for completing the cabling installation at the Bermont Court base, thereby ensuring connectivity. Currently IS&T is busy with phase one of the work and the base is operating using temporary router connections. Furthermore, additional funding is needed for the IT Infrastructure at the Escort Services Unit in Brackenfell, which currently does not have connectivity. Tender 219S/2022/23 will be utilised for the works required at these facilities. The projects will be completed by the 30 June 2026.
IT Equipment: Additional	667	Laptops are required for several operations line managers who were not previously been issued with these devices, to enable them to carry out their administrative, operational, and managerial responsibilities effectively. Furthermore, monitors are required for officials whose desktop computers have been identified in the IS&T database and removed for replacement as part of the Windows 11 upgrade process.
Furniture & Office Equipment: Additional	132	Additional budget required in order to accommodate the office equipment needs for the newly established Neighbourhood Safety Officers. Funds required to purchase individual lockers for each officer in order to safeguard their belongings whilst out on duty.
Furniture & Office Equipment: Additional	36	Additional funding required for refrigerators needed for various Law Enforcement facilities, including the Informal Trading Unit, which seizes perishable goods from informal traders and is required to provide appropriate storage for these items. RFQ process will be utilised to procure the items as there is no active transversal tender in place. The project will be completed by 30 April 2026.
IT Equipment: Replacement	3 208	Funding rephased brought forward from 2027/28 to 2025/26 for the windows 11 replacement project.
Vehicle Modifications	1 133	Additional funding required to expediate the modifications required for the Fire and Rescue Services Command Bus. This is an additional requirement as a result of project manager incorrectly accounting for vehicle modifications as an operating repairs and maintenance expenditure.
Furniture & Equipment: Additional	26	Additional budget is required to procure equipment for volunteer bases. This requirement was not known at the time of the budget proposal. The auction yard is currently closed; enquiries were made with other departments, but no suitable items were found. RFQ process will be followed to procure the items.
IT Equipment: Replacement	348	Additional budget is required to procure computer related items. This requirement was not known at the time of the budget proposal. Tender no. 255G/2021/22 to be utilised.
IT Equipment: Additional	75	Budget brought forward from CPX.0021701-F2 Computers: Additional FY27 for additional IT procurements.
IT Equipment: Replacement	292	Budget from 2026/27 moved forward in order procure laptops where current ones in use are not compatible with Windows 11. Funds transferred from: a) R82 000 CPX.0025453-F2 Computers: Replacement FY27. b) R5 000 CPX.0029482-F2 Kitchen Equipment: Additional FY27 c) R115 000 CPX.0029293-F2 Office Equipment: Additional FY27 d) R15 000 CPX.0029109-F2 Office Equipment: Replacement FY27 e) R75 000 CPX.0025018-F2 Specialised IT Equipment: Repl FY27 Tender 255G/21/22 to be utilised for this procurement and the vendor has confirmed delivery.
Specialised Vehicles - OperCoord: Add	4 300	Vehicle allocations have been reprioritised towards specialised vehicles project for the procurement of an armoured vehicle under Tender 197G/2024/25 to align with the department's operational requirements. Vendor has confirmed that delivery will take place within the current financial year.
Total	77 128	

- **Spatial Planning & Environment**

Decreases of R87,3 million and R47,2 million in 2025/26 and 2026/27 respectively are proposed due to the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level, as well as the funding for the Rehabilitation of N2 Edge project being transferred from the Spatial Planning and Environment directorate to the Urban Mobility directorate as per agreement.

- **Urban Mobility**

A decrease of R21,9 million in 2025/26, mainly due to the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level. Furthermore, increases of R7 million and R107,7 million in 2026/27 and 2027/28 respectively are proposed due to the funding for the Rehabilitation of N2 Edge project being transferred from the Spatial Planning and Environment directorate to the Urban Mobility directorate as per agreement.

- **Water & Sanitation**

A decrease of R388 million in 2025/26, mainly due to the change in funding source from EFF to Urban Development Finance Grant - Metro Trading Service Reform (UDFG) (national funding) on the Automated Metering Infrastructure (AMI) programme amounting to R267,3 million, as well as the reduction of construction contingency to align with new methodology on budgeting for contingencies at a vote level rather than project level.

Revenue amendments

Increases of R2,4 million, R3,5 million and R9,4 million in 2025/26, 2026/27 and 2027/28 respectively are proposed across the following directorates:

- **Community Services & Health**

An increase of R2,3 million in 2025/26 and a decrease of R637 356 in 2026/27 on the following projects:

- Rebuilding of Suider Strand Library increases by R637 356 in 2025/26 with a corresponding decrease in 2026/27. Funding is brought forward from the 2026/27 financial year to 2025/26 for the appointment of Professional Service Provider (PSP) due to quotation coming in higher than anticipated.
- Khayelitsha Library Restoration increase by R1,6 million in 2025/26 due to insurance claim settlement received for the restoration of the Khayelitsha Library.

- **Corporate Services**

An increase of R13,5 million for Fleet & Plant Replacement in 2026/27 due to insurance claim settlements.

- **Energy**

A decrease of R9,4 million in 2026/27 with a corresponding increase in 2027/28 on Paardevlei 132/66 kV Stepdown project. Engagement with the contractor and confirmation of the full extent of the works indicates that the project timelines will run beyond the 2026/27 financial year due to the planned cable works originally anticipated for completion by end of 2026/27 now extending into 2027/28. Therefore, a portion of the project is rephased from 2026/27 to 2027/28.

- **Finance**

An increase of R60 000 on Finance Contingency Provisions in 2025/26 for insurance claims to be utilised as and when an insurance claim is settled.

- **Office of the City Manager**

An increase of R50 000 on OCM Contingency Provisions in 2025/26 for insurance claims to be utilised as and when an insurance claim is settled.

3.4. Grant Funding

In response to the need to optimise the utilisation of available grant funding and to mitigate the risks associated with underspending, a strategic approach was undertaken to address inefficiencies and reallocate funds from underperforming to performing projects. The following actions were taken to ensure that grant funds were effectively utilised, and risks associated with non-performance or delays were minimized:

A comprehensive review was conducted across all projects funded by grants to assess their performance, progress, and the likelihood of completion within the financial year. This analysis focused on identifying projects that were facing significant delays, cancellations, or those that were unable to meet expected outcomes due to unforeseen circumstances, such as contract terminations, security-imposed delays, or other delays in procurement processes. Funds allocated to these underperforming projects were identified for reallocation to eligible projects across directorates. In an effort to maximize the impact of grant funding, the funds freed up from the underperforming projects were moved to performing projects that were on track to deliver results within the agreed timelines. These receiving projects demonstrated progress and have been assessed to have the capacity to absorb additional funding, allowing them to expand their scope or accelerate their implementation. Funds were reallocated within departments where projects were progressing smoothly. The grants were also reprioritised across directorates to balance the funding levels and ensure that critical projects were adequately supported regardless of the original allocation. Funds from underperforming projects in one directorate were transferred to high-priority initiatives in other directorates, ensuring that the City continued to meet its strategic objectives while maximizing grant fund utilisation.

In addition to internal reallocations, the increase in grant funding reflected in the 2025/26 adjustments budget is primarily driven by the introduction of the Urban Development Financing Grant (UDFG). This newly established grant, published in the Division of Revenue Amendment Bill, B00-2025, is intended to support infrastructure development within the Trading Services directorates, specifically Water and Sanitation and Energy. The introduction of the UDFG enabled the City to substitute portions of internal funding, particularly loan funding and the Capital Replacement Reserve (CRR), on selected capital projects within these directorates. This substitution freed up municipal financial resources, allowing them to be redirected towards other strategic and operational priorities, while significantly increasing the overall value of grant-funded projects in the adjusted budget.

A further contributor to the expanded grant funding envelope is the incorporation of approved grant rollovers from the previous financial year. These rollovers relate to projects where contractual commitments were in place, but full expenditure could not be achieved by year-end. To ensure continuity of service delivery, temporary City-funded allocations were provided during the August 2025 adjustments budget process. Following the approval of the rollovers, these temporary municipal funding provisions are withdrawn and replaced with the applicable grant funding.

In cases where performing projects were funded through City funds or loans, a planned decision was made to reallocate grant funds to these projects, particularly those funded by the Urban Settlements Development Grant (USDG). This reallocation was made on the basis that these projects met the criteria for grant funding, and the reallocation allowed for a more efficient use of available resources. For projects that met the criteria outlined for USDG funding, the reallocation allowed for a more effective utilisation of the USDG funds rather than relying on City funds or loans. This reallocation was particularly important in ensuring that the City could fully utilise its USDG allocations, while reducing reliance on internal funds, which could be directed to other priority areas. Prior to reallocating City-funded projects to grant funds, an eligibility assessment was conducted to ensure compliance with the specific requirements of the USDG. This assessment ensured that only those projects that were in line with the objectives of the USDG would be eligible for the funding.

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 32 to page 48.

These tables reflect the City's 2025/26 adjustments budget and MTREF to be approved by Council. Each table is accompanied by explanatory notes.

Table 2: MBRR Table B1 – Adjustments Budget Summary

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Financial Performance											
Property rates	13 768 100	13 768 100	–	–	–	–	150 000	150 000	13 918 100	14 946 054	15 943 920
Service charges	34 064 443	34 064 443	–	–	–	–	42 015	42 015	34 106 458	35 567 100	38 249 212
Investment revenue	758 522	758 522	–	–	–	–	550 631	550 631	1 309 154	648 785	789 055
Transfers recognised - operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Other own revenue	14 811 680	14 811 680	–	–	–	–	(89 611)	(89 611)	14 722 069	15 645 437	17 190 589
Total Revenue (excluding capital transfers and contributions)	70 732 307	70 832 016	–	–	–	–	579 869	579 869	71 411 884	74 212 092	79 733 792
Employee costs	20 889 090	20 889 779	–	–	–	–	(79 684)	(79 684)	20 810 094	22 220 571	23 760 020
Remuneration of councillors	197 729	197 729	–	–	–	–	648	648	198 376	207 615	217 996
Depreciation & asset impairment	3 974 164	3 974 164	–	–	–	–	(17 007)	(17 007)	3 996 121	4 203 400	4 605 312
Finance charges	1 428 206	1 427 112	–	–	–	–	(343 944)	(343 944)	1 083 168	1 776 623	2 054 031
Inventory consumed and bulk purchases	25 654 842	25 652 021	–	–	–	–	(66 140)	(66 140)	25 585 880	26 863 438	28 774 633
Transfers and subsidies	388 523	392 626	–	–	–	–	42 911	42 911	435 536	353 947	345 847
Other expenditure	18 744 452	18 843 285	(276 201)	–	–	–	352 669	76 468	18 880 789	19 214 511	19 530 692
Total Expenditure	71 277 006	71 376 715	(276 201)	–	–	–	(110 549)	(386 750)	70 989 966	74 840 105	79 288 532
Surplus/(Deficit)	(544 699)	(544 699)	276 201	–	–	–	690 417	966 618	421 919	(628 013)	445 260
Transfers and subsidies - capital (monetary allocations)	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 180 136	2 856 189
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449
Capital expenditure & funds sources											
Capital expenditure	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667
Transfers recognised - capital	3 855 190	3 864 159	–	–	–	400 921	79 648	480 569	4 344 729	4 193 542	2 856 189
Borrowing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Internally generated funds	4 007 449	4 672 789	–	–	–	–	(541 955)	(541 955)	4 130 833	4 595 340	5 757 478
Total sources of capital funds	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667
Financial position											
Total current assets	25 618 987	26 900 924	–	–	–	–	(3 104 796)	(3 104 796)	23 796 128	22 812 516	22 037 899
Total non current assets	85 146 169	85 820 478	–	–	–	–	(244 346)	(244 346)	85 576 132	95 085 927	103 536 451
Total current liabilities	16 508 768	18 456 044	–	–	–	–	(3 735 488)	(3 735 488)	14 720 556	15 711 441	15 847 653
Total non current liabilities	20 716 339	20 716 339	–	–	–	–	(3 553 649)	(3 553 649)	17 162 691	21 145 868	25 384 114
Community wealth/Equity	73 540 049	73 549 018	276 201	–	–	–	3 663 794	3 939 995	77 489 013	81 041 135	84 342 584
Cash flows											
Net cash from (used) operating	6 775 094	6 782 972	–	–	–	–	1 768 936	1 768 936	8 551 907	7 710 723	7 615 899
Net cash from (used) investing	(12 945 536)	(13 619 845)	–	–	–	–	(18 394)	(18 394)	(13 638 240)	(13 888 102)	(13 674 212)
Net cash from (used) financing	3 882 699	3 882 699	–	–	–	–	38 764	38 764	3 921 463	3 778 675	3 570 675
Cash/cash equivalents at the year end	6 340 418	7 622 355	–	–	–	–	1 789 305	1 789 305	9 411 660	7 012 956	4 525 318
Cash backing/surplus reconciliation											
Cash and investments available	15 824 513	17 106 450	–	–	–	–	223 941	223 941	17 330 391	14 967 062	12 512 204
Application of cash and investments	7 615 654	9 341 486	–	–	–	–	(1 282 267)	(1 282 267)	8 059 219	6 823 752	6 460 524
Balance - surplus (shortfall)	8 208 859	7 764 964	–	–	–	–	1 506 208	1 506 208	9 271 172	8 143 310	6 051 681
Asset Management											
Asset register summary (WDV)	82 628 347	83 302 657	–	–	–	400 921	(2 622 491)	(2 221 570)	81 081 086	90 666 567	99 674 922
Depreciation	3 974 164	3 974 164	–	–	–	–	21 957	21 957	3 996 121	4 203 401	4 605 313
Renewal and Upgrading of Existing Assets	7 351 853	7 653 846	–	–	–	133 640	(288 922)	(155 282)	7 498 565	7 122 731	8 372 246
Repairs and Maintenance	6 842 018	6 842 075	–	–	–	–	15 244	15 244	6 857 318	7 322 744	7 548 054
Free services											
Cost of Free Basic Services provided	2 717 611	2 717 611	–	–	–	–	(94 777)	(94 777)	2 622 834	2 843 627	3 076 576
Revenue cost of free services provided	3 135 095	3 135 095	–	–	–	–	(16 590)	(16 590)	3 118 504	3 379 827	3 741 343
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	19 828	19 828	–	–	–	–	–	–	19 828	18 328	16 828
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 be funded from 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 to collectively assess the financial performance, capital budget, financial position and cash flow budgets. The City's key outcomes in this regard are as:

- a. The City's Financial Performance section of the prescribed pro forma Table B1 shows a surplus position for the 2025/26 MTREF. This surplus position includes capital transfers and subsidies.
 - 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 Development Charges already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2025/26 MTREF.
 - d. The City's cash backing/surplus reconciliation over the 2025/26 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.
4. 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 3: MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue - Functional											
Governance and administration	20 909 478	20 909 478	–	–	–	–	833 826	833 826	21 743 303	22 252 356	23 733 088
Executive and council	393	393	–	–	–	–	(0)	(0)	393	411	429
Finance and administration	20 909 081	20 909 081	–	–	–	–	833 826	833 826	21 742 907	22 251 941	23 732 656
Internal audit	4	4	–	–	–	–	–	–	4	4	4
Community and public safety	4 736 777	4 828 542	–	–	–	–	12 793	12 793	4 841 335	4 767 175	5 000 049
Community and social services	142 377	142 377	–	–	–	–	909	909	143 286	136 587	153 010
Sport and recreation	66 264	66 264	–	–	–	–	1 128	1 128	67 391	74 158	65 934
Public safety	2 344 266	2 344 266	–	–	–	–	21 887	21 887	2 366 153	2 353 528	2 444 519
Housing	1 732 928	1 824 694	–	–	–	–	(12 296)	(12 296)	1 812 397	1 702 389	1 811 814
Health	450 941	450 941	–	–	–	–	1 166	1 166	452 107	500 513	524 773
Economic and environmental services	4 279 566	4 288 536	–	–	–	–	(48 789)	(48 789)	4 239 747	4 370 081	2 967 777
Planning and development	740 131	740 131	–	–	–	–	5 179	5 179	745 309	769 044	780 328
Road transport	3 479 674	3 488 644	–	–	–	–	(53 768)	(53 768)	3 434 876	3 568 111	2 149 053
Environmental protection	59 761	59 761	–	–	–	–	(200)	(200)	59 561	32 926	38 396
Trading services	44 660 289	44 668 233	–	–	–	–	262 713	262 713	44 930 946	47 001 166	50 887 553
Energy sources	24 327 273	24 327 273	–	–	–	–	149 139	149 139	24 476 412	25 042 583	25 884 176
Water management	12 582 605	12 582 605	–	–	–	–	390 592	390 592	12 973 197	13 651 096	15 909 655
Waste water management	4 438 859	4 446 803	–	–	–	–	1 548	1 548	4 448 351	4 814 031	5 350 782
Waste management	3 311 553	3 311 553	–	–	–	–	(278 566)	(278 566)	3 032 987	3 493 456	3 742 941
Other	1 387	1 387	–	–	–	–	(106)	(106)	1 281	1 450	1 514
Total Revenue - Functional	74 587 497	74 696 175	–	–	–	–	1 060 438	1 060 438	75 756 613	78 392 228	82 589 982
Expenditure - Functional											
Governance and administration	3 255 812	3 283 156	–	–	–	–	167 140	167 140	3 450 295	4 044 820	4 306 163
Executive and council	133 192	133 068	–	–	–	–	94 645	94 645	227 713	121 430	106 126
Finance and administration	3 119 756	3 147 223	–	–	–	–	71 478	71 478	3 218 701	3 920 704	4 197 854
Internal audit	2 864	2 864	–	–	–	–	1 017	1 017	3 882	2 686	2 184
Community and public safety	15 569 877	15 632 560	–	–	–	–	(204 508)	(204 508)	15 428 052	16 282 588	17 176 857
Community and social services	1 853 305	1 856 920	–	–	–	–	6 124	6 124	1 863 044	1 962 850	2 087 159
Sport and recreation	2 460 335	2 459 072	–	–	–	–	32 491	32 491	2 491 563	2 574 230	2 713 950
Public safety	6 736 213	6 707 438	–	–	–	–	(175 182)	(175 182)	6 532 256	6 995 160	7 297 865
Housing	2 609 915	2 699 022	–	–	–	–	(20 946)	(20 946)	2 678 076	2 711 011	2 917 237
Health	1 910 108	1 910 108	–	–	–	–	(46 995)	(46 995)	1 863 113	2 039 337	2 160 647
Economic and environmental services	8 166 494	8 168 427	–	–	–	–	247 878	247 878	8 416 304	8 443 543	8 866 403
Planning and development	2 246 064	2 246 490	–	–	–	–	(29 508)	(29 508)	2 216 982	2 317 462	2 283 956
Road transport	5 379 680	5 381 613	–	–	–	–	212 932	212 932	5 594 545	5 592 024	6 023 212
Environmental protection	540 749	540 323	–	–	–	–	64 453	64 453	604 777	534 058	559 235
Trading services	44 043 437	44 051 187	(276 201)	–	–	–	(330 129)	(606 330)	43 444 856	45 823 095	48 684 835
Energy sources	23 965 586	23 965 386	(276 201)	–	–	–	4 314	(271 887)	23 693 499	24 366 470	25 206 476
Water management	10 863 512	10 867 913	–	–	–	–	(32 387)	(32 387)	10 835 526	11 635 096	13 079 658
Waste water management	6 054 187	6 057 736	–	–	–	–	(159 346)	(159 346)	5 898 390	6 467 901	6 768 586
Waste management	3 160 152	3 160 152	–	–	–	–	(142 710)	(142 710)	3 017 442	3 353 628	3 630 115
Other	241 386	241 386	–	–	–	–	9 071	9 071	250 458	246 059	254 273
Total Expenditure - Functional	71 277 006	71 376 715	(276 201)	–	–	–	(110 549)	(386 749)	70 989 966	74 840 106	79 288 532
Surplus/ (Deficit) for the year	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 187	4 766 647	3 552 122	3 301 450

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 5 functional areas and 15 sub functional areas.
2. This table shows that the revenue for Trading services (excluding Waste Water Management) exceeds its expenditure (it excludes Internal Charges). The deficit in Waste Water Management is absorbed within Water Management.
3. Other functions within Rates show deficits when comparing revenue and expenditure, which is financed from Rates Revenue.
4. Adjustments on the expenditure budget relate to administrative transfers of budgetary shifts in accordance with the approved System of Delegations and the Virement Policy.

Table 4: MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue by Vote											
Vote 1 - Community Services & Health	988 503	988 503	–	–	–	–	2 841	2 841	991 345	1 031 950	1 048 358
Vote 2 - Corporate Services	99 480	99 480	–	–	–	–	776	776	100 255	92 599	95 615
Vote 3 - Economic Growth	367 264	367 264	–	–	–	–	8 823	8 823	376 088	341 601	444 107
Vote 4 - Energy	24 085 011	24 085 011	–	–	–	–	149 139	149 139	24 234 150	24 763 963	25 563 742
Vote 5 - Finance	20 156 511	20 156 511	–	–	–	–	803 757	803 757	20 960 268	21 506 215	22 859 867
Vote 6 - Future Planning & Resilience	65 915	65 915	–	–	–	–	8 964	8 964	74 880	62 801	54 236
Vote 7 - Human Settlements	1 771 568	1 863 334	–	–	–	–	(18 859)	(18 859)	1 844 475	1 777 438	1 932 209
Vote 8 - Office of the City Manager	957	957	–	–	–	–	3 410	3 410	4 367	1 000	1 044
Vote 9 - Safety & Security	2 396 509	2 396 509	–	–	–	–	23 133	23 133	2 419 641	2 408 133	2 554 539
Vote 10 - Spatial Planning & Environment	749 446	749 446	–	–	–	–	(7 444)	(7 444)	742 002	729 628	758 562
Vote 11 - Urban Mobility	3 511 579	3 520 549	–	–	–	–	(2 683)	(2 683)	3 517 866	3 583 130	2 162 477
Vote 12 - Urban Waste Management	3 323 144	3 323 144	–	–	–	–	(271 794)	(271 794)	3 051 349	3 563 135	3 800 163
Vote 13 - Water & Sanitation	17 071 610	17 079 554	–	–	–	–	360 375	360 375	17 439 928	18 530 634	21 315 062
Total Revenue by Vote	74 587 497	74 696 175	–	–	–	–	1 060 438	1 060 438	75 756 613	78 392 228	82 589 982
Expenditure by Vote											
Vote 1 - Community Services & Health	4 917 247	4 917 247	–	–	–	–	(31 291)	(31 291)	4 885 956	5 120 216	5 353 031
Vote 2 - Corporate Services	4 123 703	4 123 703	–	–	–	–	15 991	15 991	4 139 694	4 705 502	4 939 907
Vote 3 - Economic Growth	760 365	760 365	–	–	–	–	31 150	31 150	791 514	725 690	740 641
Vote 4 - Energy	21 757 162	21 757 162	(276 201)	–	–	–	17 650	(258 551)	21 498 611	22 334 785	23 240 284
Vote 5 - Finance	4 496 215	4 496 215	–	–	–	–	(154 297)	(154 297)	4 341 917	5 030 785	5 496 754
Vote 6 - Future Planning & Resilience	595 825	595 825	–	–	–	–	29 046	29 046	624 870	608 803	613 313
Vote 7 - Human Settlements	1 705 085	1 796 850	–	–	–	–	(16 476)	(16 476)	1 780 374	1 752 332	1 857 715
Vote 8 - Office of the City Manager	524 560	524 560	–	–	–	–	27 728	27 728	552 288	543 055	561 255
Vote 9 - Safety & Security	6 692 842	6 692 842	–	–	–	–	36 466	36 466	6 729 308	6 926 543	7 209 448
Vote 10 - Spatial Planning & Environment	1 953 826	1 953 826	–	–	–	–	40 379	40 379	1 994 205	1 966 504	1 932 189
Vote 11 - Urban Mobility	4 706 689	4 706 689	–	–	–	–	149 157	149 157	4 855 846	4 862 461	5 236 131
Vote 12 - Urban Waste Management	4 100 966	4 100 966	–	–	–	–	(119 770)	(119 770)	3 981 197	4 333 946	4 522 731
Vote 13 - Water & Sanitation	14 942 522	14 950 465	–	–	–	–	(136 279)	(136 279)	14 814 186	15 929 482	17 585 134
Total Expenditure by Vote	71 277 006	71 376 715	(276 201)	–	–	–	(110 549)	(386 749)	70 989 966	74 840 106	79 288 532
Surplus/ (Deficit) for the year	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 187	4 766 647	3 552 122	3 301 450

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

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

Table 5: MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue By Source											
Exchange Revenue											
Service charges - Electricity	23 663 555	23 663 555	–	–	–	–	(0)	(0)	23 663 555	24 309 320	25 094 791
Service charges - Water	5 776 241	5 776 241	–	–	–	–	92 425	92 425	5 868 665	6 257 772	7 434 130
Service charges - Waste Water Management	2 966 006	2 966 006	–	–	–	–	(2 580)	(2 580)	2 963 426	3 235 545	3 850 787
Service charges - Waste Management	1 658 640	1 658 640	–	–	–	–	(47 829)	(47 829)	1 610 811	1 764 463	1 869 504
Sale of Goods and Rendering of Services	816 579	816 579	–	–	–	–	(84 442)	(84 442)	732 137	814 104	862 368
Agency services	302 874	302 874	–	–	–	–	–	–	302 874	310 022	337 339
Interest	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables	339 731	339 731	–	–	–	–	(10 698)	(10 698)	329 033	364 128	418 418
Interest earned from Current and Non Current Assets	758 522	758 522	–	–	–	–	550 631	550 631	1 309 154	648 785	789 055
Dividends	–	–	–	–	–	–	–	–	–	–	–
Rent on Land	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets	494 307	494 307	–	–	–	–	1 653	1 653	495 960	530 622	613 594
Special rating levies	494 107	494 107	–	–	–	–	(7 225)	(7 225)	486 882	523 753	555 178
Licence and permits	205	205	–	–	–	–	–	–	205	214	224
Operational Revenue	423 376	423 376	–	–	–	–	(32 100)	(32 100)	391 276	439 920	465 425
Non-Exchange Revenue											
Property rates	13 768 100	13 768 100	–	–	–	–	150 000	150 000	13 918 100	14 946 054	15 943 920
Surcharges and Taxes	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 878 556	1 878 556	–	–	–	–	26 743	26 743	1 905 299	1 892 592	1 916 560
Licences or permits	50 301	50 301	–	–	–	–	(2 392)	(2 392)	47 909	52 565	54 877
Transfer and subsidies - Operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Interest	98 675	98 675	–	–	–	–	–	–	98 675	103 115	107 652
Fuel Levy	2 851 776	2 851 776	–	–	–	–	–	–	2 851 776	2 972 451	3 096 441
Operational Revenue	906 078	906 078	–	–	–	–	(136 568)	(136 568)	769 510	980 527	1 089 489
Gains on disposal of Assets	70 772	70 772	–	–	–	–	13 454	13 454	84 226	60 884	110 999
Other Gains	6 084 343	6 084 343	–	–	–	–	141 964	141 964	6 226 308	6 600 539	7 562 025
Discontinued Operations	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	70 732 307	70 832 016	–	–	–	–	579 869	579 869	71 411 884	74 212 092	79 733 792
Expenditure By Type											
Employee related costs	20 889 090	20 889 779	–	–	–	–	(79 684)	(79 684)	20 810 094	22 220 571	23 760 020
Remuneration of councillors	197 729	197 729	–	–	–	–	648	648	198 376	207 615	217 996
Bulk purchases - electricity	17 755 086	17 755 086	–	–	–	–	–	–	17 755 086	18 363 846	19 062 355
Inventory consumed	7 899 755	7 896 934	–	–	–	–	(66 140)	(66 140)	7 830 794	8 499 592	9 712 278
Debt impairment	3 217 478	3 217 478	–	–	–	–	(38 964)	(38 964)	3 178 514	3 214 620	3 242 407
Depreciation and amortisation	3 974 164	3 974 164	–	–	–	–	21 957	21 957	3 996 121	4 203 400	4 605 312
Interest	1 428 206	1 427 112	–	–	–	–	(343 944)	(343 944)	1 083 168	1 776 623	2 054 031
Contracted services	11 100 541	11 196 306	(276 201)	–	–	–	252 427	(23 774)	11 172 532	11 020 646	11 093 184
Transfers and subsidies	388 523	392 626	–	–	–	–	42 911	42 911	435 536	353 947	345 847
Irrecoverable debts written off	123 202	123 202	–	–	–	–	75 391	75 391	198 594	123 202	123 202
Operational costs	3 768 638	3 771 707	–	–	–	–	74 931	74 931	3 846 638	4 277 064	4 387 987
Losses on disposal of Assets	2 500	2 500	–	–	–	–	80	80	2 581	2 500	2 500
Other Losses	532 092	532 092	–	–	–	–	(50 161)	(50 161)	481 931	576 478	681 412
Total Expenditure	71 277 006	71 376 715	(276 201)	–	–	–	(110 549)	(386 750)	70 989 966	74 840 105	79 288 532
Surplus/(Deficit)	(544 699)	(544 699)	276 201	–	–	–	690 417	966 618	421 919	(628 013)	445 260
Transfers and subsidies - capital (monetary allocations)	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 180 136	2 856 189
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449
Income Tax	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	3 310 490	3 319 460	276 201	–	–	–	1 170 987	1 447 188	4 766 647	3 552 122	3 301 449

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.
2. Total revenue is R71 412 million (excluding appropriations, which are disclosed in the Statement of Financial Position) in 2025/26 and increases to R79 734 million in 2027/28.
3. Total expenditure amounts to R70 990 million in 2025/26 and escalates to R79 289 million in 2027/28.

Table 6: MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Community Services & Health	317 218	332 336	–	–	–	–	4 146	4 146	336 481	259 796	305 681
Vote 2 - Corporate Services	498 476	510 065	–	–	–	–	231 078	231 078	741 143	548 169	1 235 857
Vote 3 - Economic Growth	111 099	141 641	–	–	–	–	(3 445)	(3 445)	138 195	84 703	160 256
Vote 4 - Energy	1 249 640	1 329 735	–	–	–	133 640	(102 621)	31 019	1 360 754	1 647 946	1 572 395
Vote 5 - Finance	123 163	125 012	–	–	–	–	331	331	125 343	20 784	147 245
Vote 6 - Future Planning & Resilience	5 414	6 480	–	–	–	–	15 336	15 336	21 816	11 666	5 810
Vote 7 - Human Settlements	1 228 699	1 351 457	–	–	–	–	89 008	89 008	1 440 465	986 704	1 057 290
Vote 8 - Office of the City Manager	8 675	8 799	–	–	–	–	9 685	9 685	18 484	5 596	54 532
Vote 9 - Safety & Security	344 830	345 566	–	–	–	–	80 716	80 716	426 282	195 839	424 624
Vote 10 - Spatial Planning & Environment	519 567	546 271	–	–	–	–	(87 160)	(87 160)	459 112	342 696	230 364
Vote 11 - Urban Mobility	3 090 530	3 311 282	–	–	–	–	(289 332)	(289 332)	3 021 950	3 263 451	1 919 669
Vote 12 - Urban Waste Management	438 953	450 047	–	–	–	–	–	–	450 047	581 984	784 018
Vote 13 - Water & Sanitation	4 926 374	5 078 257	–	–	–	267 281	(410 048)	(142 767)	4 935 490	5 839 550	5 715 926
Total Capital Expenditure - Vote	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667
Capital Expenditure - Functional											
Governance and administration	1 338 710	1 366 249	–	–	–	–	464 632	464 632	1 830 881	1 825 121	2 212 306
Executive and council	27 948	30 556	–	–	–	–	(400)	(400)	30 156	1 653	1 750
Finance and administration	1 310 672	1 335 603	–	–	–	–	465 115	465 115	1 800 718	1 819 106	2 210 387
Internal audit	90	90	–	–	–	–	(83)	(83)	7	4 361	169
Community and public safety	1 864 454	2 005 780	–	–	–	–	171 113	171 113	2 176 893	1 328 136	1 683 307
Community and social services	138 247	142 394	–	–	–	–	6 281	6 281	148 675	112 648	155 313
Sport and recreation	235 626	243 616	–	–	–	–	20 676	20 676	264 292	104 366	281 177
Public safety	231 780	232 516	–	–	–	–	80 991	80 991	313 508	78 542	201 600
Housing	1 202 911	1 329 406	–	–	–	–	85 714	85 714	1 415 120	965 859	996 368
Health	55 890	57 848	–	–	–	–	(22 550)	(22 550)	35 298	66 722	48 849
Economic and environmental services	3 604 890	3 882 810	–	–	–	–	(429 025)	(429 025)	3 453 785	3 640 987	2 266 620
Planning and development	280 769	318 150	–	–	–	–	(79 360)	(79 360)	238 789	152 703	198 844
Road transport	3 013 970	3 234 680	–	–	–	–	(340 013)	(340 013)	2 894 667	3 245 499	1 918 995
Environmental protection	310 151	329 981	–	–	–	–	(9 652)	(9 652)	320 329	242 785	148 782
Trading services	6 052 141	6 279 664	–	–	–	400 921	(669 467)	(268 546)	6 011 118	6 992 402	7 449 624
Energy sources	1 228 075	1 300 903	–	–	–	133 640	(99 844)	33 796	1 334 700	1 646 446	1 570 395
Water management	1 478 230	1 528 762	–	–	–	267 281	(366 839)	(99 558)	1 429 204	1 854 197	1 808 480
Waste water management	3 258 361	3 354 452	–	–	–	–	(198 879)	(198 879)	3 155 573	3 274 783	3 712 200
Waste management	87 476	95 547	–	–	–	–	(3 906)	(3 906)	91 641	216 977	358 550
Other	2 445	2 445	–	–	–	–	441	441	2 886	2 235	1 810
Total Capital Expenditure - Functional	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667
Funded by:											
National Government	3 735 882	3 735 882	–	–	–	400 921	89 529	490 450	4 226 332	4 048 734	2 761 689
Provincial Government	6 657	6 657	–	–	–	–	4 033	4 033	10 690	6 377	6 934
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	112 651	121 621	–	–	–	–	(13 914)	(13 914)	107 707	138 431	87 566
Transfers recognised - capital	3 855 190	3 864 159	–	–	–	400 921	79 648	480 569	4 344 729	4 193 542	2 856 189
Borrowing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Internally generated funds	4 007 449	4 672 789	–	–	–	–	(541 955)	(541 955)	4 130 833	4 595 340	5 757 478
Total Capital Funding	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667

Explanatory notes to MBRR 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 appropriation to R13 476 million in 2025/26, R13 789 million in 2026/27, and R13 614 million in 2027/28.
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, Western Cape Government, and other transfers and grants and public contributions amount to R4 345 million in 2025/26, R4 194 million and R2 856 million in 2026/27 and 2027/28 respectively.

Borrowings amount to R5 000 million for each of the respective financial years over the MTREF.

Internally generated funds amount to R4 131 million, R4 595 million and R5 757 million for each of the respective financial years over the MTREF.

Table 7: MBRR Table B6 – Adjustments Budget Financial Position

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
ASSETS											
Current assets											
Cash and cash equivalents	13 306 706	14 588 642	–	–	–	–	(1 753 267)	(1 753 267)	12 835 375	10 311 967	7 685 563
Trade and other receivables from exchange transactions	4 274 283	4 274 283	–	–	–	–	(766 796)	(766 796)	3 507 487	4 346 282	5 270 299
Receivables from non-exchange transactions	6 313 491	6 313 491	–	–	–	–	7 912	7 912	6 321 403	7 141 447	8 005 829
Current portion of non-current receivables	60	60	–	–	–	–	4	4	64	15	7
Inventory	527 450	527 450	–	–	–	–	15 040	15 040	542 490	576 474	613 172
VAT	1 196 998	1 196 998	–	–	–	–	(607 689)	(607 689)	589 309	436 332	463 030
Other current assets	–	–	–	–	–	–	–	–	–	–	–
Total current assets	25 618 987	26 900 924	–	–	–	–	(3 104 796)	(3 104 796)	23 796 128	22 812 516	22 037 899
Non current assets											
Investments	2 517 807	2 517 808	–	–	–	–	1 977 208	1 977 208	4 495 016	4 655 095	4 826 641
Investment property	571 011	571 011	–	–	–	–	180	180	571 191	569 479	567 768
Property, plant and equipment	81 391 618	82 060 793	–	–	–	–	(2 341 418)	(2 341 418)	79 719 375	88 576 845	96 751 046
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources	1 440	1 440	–	–	–	–	(478)	(478)	962	625	1 155
Heritage assets	11 184	11 184	–	–	–	–	(629)	(629)	10 555	10 555	10 555
Intangible assets	653 094	658 228	–	–	–	–	120 775	120 775	779 003	1 273 308	1 379 269
Trade and other receivables from exchange transactions	–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions	14	14	–	–	–	–	17	17	31	20	17
Other non-current assets	–	–	–	–	–	–	–	–	–	–	–
Total non current assets	85 146 169	85 820 478	–	–	–	–	(244 346)	(244 346)	85 576 132	95 085 927	103 536 451
TOTAL ASSETS	110 765 156	112 721 402	–	–	–	–	(3 349 142)	(3 349 142)	109 372 260	117 898 444	125 574 351
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Financial liabilities	1 346 115	1 346 115	–	–	–	–	(230 476)	(230 476)	1 115 639	1 330 656	1 455 593
Consumer deposits	499 971	499 971	–	–	–	–	85 795	85 795	585 765	608 799	632 334
Trade and other payables from exchange transactions	11 386 511	13 333 785	–	–	–	–	(3 069 417)	(3 069 417)	10 264 368	10 862 063	10 717 092
Trade and other payables from non-exchange transactions	833 187	833 187	–	–	–	–	(526 082)	(526 082)	307 105	307 105	307 105
Provisions	1 981 571	1 981 573	–	–	–	–	57 472	57 472	2 039 045	2 128 069	2 191 535
VAT	461 413	461 413	–	–	–	–	(52 779)	(52 779)	408 634	474 749	543 994
Other current liabilities	–	–	–	–	–	–	–	–	–	–	–
Total current liabilities	16 508 768	18 456 044	–	–	–	–	(3 735 488)	(3 735 488)	14 720 556	15 711 441	15 847 653
Non current liabilities											
Borrowing	13 459 944	13 459 944	–	–	–	–	(3 498 429)	(3 498 429)	9 961 515	13 439 538	16 917 279
Provisions	7 256 395	7 256 395	–	–	–	–	(55 219)	(55 219)	7 201 176	7 706 330	8 466 835
Long term portion of trade payables	–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	–	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	20 716 339	20 716 339	–	–	–	–	(3 553 649)	(3 553 649)	17 162 691	21 145 868	25 384 114
TOTAL LIABILITIES	37 225 107	39 172 384	–	–	–	–	(7 289 136)	(7 289 136)	31 883 247	36 857 309	41 231 766
NET ASSETS	73 540 049	73 549 018	–	–	–	–	3 939 994	3 939 994	77 489 013	81 041 135	84 342 585
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	68 264 566	68 494 978	276 201	–	–	–	2 063 792	2 339 993	70 834 971	74 633 473	76 441 061
Funds and Reserves	5 275 483	5 054 041	–	–	–	–	1 600 002	1 600 002	6 654 042	6 407 662	7 901 523
Other	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	73 540 049	73 549 018	276 201	–	–	–	3 663 794	3 939 995	77 489 013	81 041 135	84 342 584

Explanatory notes to MBRR Table 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 8: MBRR Table B7 – Adjustments Budget Cash Flow Statement

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	13 662 239	13 662 239	–	–	–	–	136 617	136 617	13 798 856	14 818 887	15 804 826
Service charges	33 879 903	33 879 903	–	–	–	–	(124 822)	(124 822)	33 755 081	35 502 777	38 314 870
Other revenue	5 167 880	5 167 880	–	–	–	–	(90 744)	(90 744)	5 077 136	5 370 438	5 699 321
Transfers and Subsidies - Operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Transfers and Subsidies - Capital	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 193 542	2 856 189
Interest	758 522	758 522	–	–	–	–	550 631	550 631	1 309 154	648 785	789 055
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(56 122 085)	(56 218 783)	–	–	–	–	571 228	571 228	(55 647 555)	(58 621 399)	(61 380 873)
Finance charges	(1 367 594)	(1 367 594)	–	–	–	–	361 533	361 533	(1 006 061)	(1 253 076)	(1 682 659)
Transfers and Subsidies	(388 523)	(392 626)	–	–	–	–	(42 911)	(42 911)	(435 536)	(353 947)	(345 847)
NET CASH FROM/(USED) OPERATING ACTIVITIES	6 775 094	6 782 972	–	–	–	–	1 768 936	1 768 936	8 551 907	7 710 723	7 615 899
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	70 772	70 772	–	–	–	–	13 454	13 454	84 226	60 884	110 999
Decrease (increase) in non-current receivables	60	60	–	–	–	–	4	4	64	(25)	3
Decrease (increase) in non-current investments	(153 729)	(153 729)	–	–	–	–	(93 238)	(93 238)	(246 967)	(160 080)	(171 546)
Payments											
Capital assets	(12 862 639)	(13 536 948)	–	–	–	–	61 386	61 386	(13 475 562)	(13 788 881)	(13 613 667)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(12 945 536)	(13 619 845)	–	–	–	–	(18 394)	(18 394)	(13 638 240)	(13 888 102)	(13 674 212)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Increase (decrease) in consumer deposits	22 041	22 041	–	–	–	–	3 668	3 668	25 709	23 033	23 535
Payments											
Repayment of borrowing	(1 139 343)	(1 139 343)	–	–	–	–	35 096	35 096	(1 104 247)	(1 244 359)	(1 452 860)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 882 699	3 882 699	–	–	–	–	38 764	38 764	3 921 463	3 778 675	3 570 675
NET INCREASE/ (DECREASE) IN CASH HELD	(2 287 744)	(2 954 175)	–	–	–	–	1 789 305	1 789 305	(1 164 870)	(2 398 704)	(2 487 638)
Cash/cash equivalents at the year begin:	8 628 162	10 576 530	–	–	–	–	–	–	10 576 530	9 411 660	7 012 956
Cash/cash equivalents at the year end:	6 340 418	7 622 355	–	–	–	–	1 789 305	1 789 305	9 411 660	7 012 956	4 525 318

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 2025/26 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 R9 412 million in 2025/26, R7 013 million in 2026/27 and R4 525 million by 2027/28.

Table 9: MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Cash and investments available											
Cash/cash equivalents at the year end	6 340 418	7 622 355	–	–	–	–	1 789 305	1 789 305	9 411 660	7 012 956	4 525 318
Other current investments > 90 days	6 966 288	6 966 287	–	–	–	–	(3 542 572)	(3 542 572)	3 423 715	3 299 011	3 160 245
Non current assets - Investments	2 517 807	2 517 808	–	–	–	–	1 977 208	1 977 208	4 495 016	4 655 095	4 826 641
Cash and investments available:	15 824 513	17 106 450	–	–	–	–	223 941	223 941	17 330 391	14 967 062	12 512 204
Applications of cash and investments											
Unspent conditional transfers	833 187	833 187	–	–	–	–	(526 082)	(526 082)	307 105	307 105	307 105
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	1 506 984	3 454 258	–	–	–	–	(2 356 187)	(2 356 187)	1 098 071	108 985	(1 748 104)
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5 275 483	5 054 041	–	–	–	–	1 600 002	1 600 002	6 654 042	6 407 662	7 901 523
Total Application of cash and investments:	7 615 654	9 341 486	–	–	–	–	(1 282 267)	(1 282 267)	8 059 219	6 823 752	6 460 524
Surplus(shortfall)	8 208 859	7 764 964	–	–	–	–	1 506 208	1 506 208	9 271 172	8 143 310	6 051 681

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.
3. 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".
4. From the table it can be seen that for the City remains in a surplus net cash flow position for 2025/26 MTREF.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2025/26 MTREF is fully funded.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2025/26 MTREF, the end objective of the medium-term framework was to ensure the budget is funded / aligned to section 18 of the MFMA.
7. Table B8 reflects surpluses of R9 271 million in 2025/26, R8 143 million in 2026/27 and R6 052 million in 2027/28.

Table 10: MBRR Table B9 - Asset Management

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi- year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands											
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	5 510 786	5 883 101	–	–	–	267 281	(173 385)	93 896	5 976 997	6 666 150	5 241 421
Roads Infrastructure	2 562 889	2 659 151	–	–	–	–	(272 777)	(272 777)	2 386 374	2 320 552	1 390 940
Storm water Infrastructure	212 633	217 420	–	–	–	–	(3 673)	(3 673)	213 747	202 410	279 042
Electrical Infrastructure	308 060	315 032	–	–	–	–	19 785	19 785	334 817	316 060	472 289
Water Supply Infrastructure	913 955	958 444	–	–	–	267 281	(200 184)	67 097	1 025 540	1 875 485	1 479 539
Sanitation Infrastructure	496 515	516 876	–	–	–	–	(40 865)	(40 865)	476 012	546 317	397 215
Solid Waste Infrastructure	20 873	24 600	–	–	–	–	(11 159)	(11 159)	13 441	51 906	162 945
Information and Communication Infrastructure	6 100	6 100	–	–	–	–	883	883	6 983	1 300	4 300
Infrastructure	4 521 025	4 697 623	–	–	–	267 281	(507 989)	(240 708)	4 456 914	5 314 030	4 186 269
Community Facilities	201 921	226 367	–	–	–	–	47 629	47 629	273 997	231 848	232 296
Sport and Recreation Facilities	650	650	–	–	–	–	220	220	870	1 000	–
Community Assets	202 571	227 017	–	–	–	–	47 849	47 849	274 866	232 848	232 296
Operational Buildings	51 849	71 129	–	–	–	–	50 585	50 585	121 714	130 960	295 046
Other Assets	51 849	71 129	–	–	–	–	50 585	50 585	121 714	130 960	296 546
Licences and Rights	88 561	92 485	–	–	–	–	(8 080)	(8 080)	84 405	175 046	184 930
Intangible Assets	88 561	92 485	–	–	–	–	(8 080)	(8 080)	84 405	175 046	184 930
Computer Equipment	154 770	154 873	–	–	–	–	100 965	100 965	255 839	45 564	53 209
Furniture and Office Equipment	14 257	15 232	–	–	–	–	14 976	14 976	30 208	10 209	14 752
Machinery and Equipment	109 851	140 894	–	–	–	–	43 491	43 491	184 385	70 573	58 338
Transport Assets	251 068	259 702	–	–	–	–	88 041	88 041	347 742	636 921	110 736
Land	116 834	224 145	–	–	–	–	(3 223)	(3 223)	220 923	50 000	104 345
Total Renewal of Existing Assets to be adjusted	3 743 762	3 840 308	–	–	–	123 240	(184 238)	(60 998)	3 779 310	3 285 588	3 775 754
Roads Infrastructure	288 850	357 106	–	–	–	–	(98 931)	(98 931)	258 175	77 440	278 785
Storm water Infrastructure	11 102	12 694	–	–	–	–	(5 281)	(5 281)	7 413	48 065	59 287
Electrical Infrastructure	461 255	471 113	–	–	–	123 240	(123 890)	(650)	470 464	719 660	810 931
Water Supply Infrastructure	520 200	520 200	–	–	–	–	(82 271)	(82 271)	437 929	511 109	408 804
Sanitation Infrastructure	1 278 692	1 280 692	–	–	–	–	(72 017)	(72 017)	1 208 675	909 147	1 056 632
Solid Waste Infrastructure	1 266	2 172	–	–	–	–	(552)	(552)	1 620	33 800	83
Coastal Infrastructure	–	–	–	–	–	–	–	–	–	5 000	1 000
Information and Communication Infrastructure	41 920	41 925	–	–	–	–	39 513	39 513	81 437	4 269	60 933
Infrastructure	2 603 284	2 685 903	–	–	–	123 240	(343 430)	(220 190)	2 465 713	2 308 489	2 676 455
Community Facilities	91 468	94 407	–	–	–	–	(7 288)	(7 288)	87 118	71 664	67 252
Sport and Recreation Facilities	51 550	51 641	–	–	–	–	(7 754)	(7 754)	43 887	13 081	24 879
Community Assets	143 018	146 048	–	–	–	–	(15 043)	(15 043)	131 005	84 746	92 131
Operational Buildings	20 942	26 168	–	–	–	–	6 204	6 204	32 371	5 130	12 013
Other Assets	20 942	26 168	–	–	–	–	6 204	6 204	32 371	5 130	12 013
Licences and Rights	15 850	15 850	–	–	–	–	(2 500)	(2 500)	13 350	13 050	11 850
Intangible Assets	15 850	15 850	–	–	–	–	(2 500)	(2 500)	13 350	13 050	11 850
Computer Equipment	144 132	145 266	–	–	–	–	129 251	129 251	274 517	119 098	224 010
Furniture and Office Equipment	103 066	103 704	–	–	–	–	16 438	16 438	120 141	26 176	20 483
Machinery and Equipment	102 473	103 356	–	–	–	–	(4 793)	(4 793)	98 563	94 079	111 625
Transport Assets	610 352	613 368	–	–	–	–	29 636	29 636	643 004	634 820	626 236
Mature	645	645	–	–	–	–	–	–	645	–	950
Living Resources	645	645	–	–	–	–	–	–	645	–	950

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
CAPITAL EXPENDITURE											
Total Upgrading of Existing Assets to be adjusted	3 608 091	3 813 539	–	–	–	10 400	(104 684)	(94 284)	3 719 255	3 837 144	4 596 492
Roads Infrastructure	139 888	145 249	–	–	–	–	(29 482)	(29 482)	115 767	162 185	205 230
Storm water Infrastructure	138 054	193 256	–	–	–	–	(25 320)	(25 320)	167 936	101 105	91 543
Electrical Infrastructure	218 174	259 281	–	–	–	10 400	(53 012)	(42 612)	216 670	351 945	102 280
Water Supply Infrastructure	23 700	23 700	–	–	–	–	3 686	3 686	27 386	33 243	37 381
Sanitation Infrastructure	1 588 194	1 621 194	–	–	–	–	(96 929)	(96 929)	1 524 264	1 926 793	2 242 399
Solid Waste Infrastructure	764	1 046	–	–	–	–	8 733	8 733	9 779	42 472	55 900
Coastal Infrastructure	215 416	225 117	–	–	–	–	(36 308)	(36 308)	188 809	114 105	–
Information and Communication Infrastructure	7 551	5 296	–	–	–	–	423	423	5 719	–	–
Infrastructure	2 331 742	2 474 139	–	–	–	10 400	(228 208)	(217 808)	2 256 331	2 731 848	2 734 733
Community Facilities	391 335	434 807	–	–	–	–	(68 456)	(68 456)	366 351	351 115	459 632
Sport and Recreation Facilities	70 490	76 597	–	–	–	–	5 686	5 686	82 283	83 509	191 764
Community Assets	461 825	511 405	–	–	–	–	(62 770)	(62 770)	448 634	434 624	651 395
Heritage Assets	–	–	–	–	–	–	231	231	231	–	–
Operational Buildings	461 742	473 858	–	–	–	–	67 106	67 106	540 964	493 088	567 889
Housing	328 648	328 686	–	–	–	–	117 103	117 103	445 789	155 220	64 232
Other Assets	790 390	802 544	–	–	–	–	184 210	184 210	986 754	648 308	632 121
Licences and Rights	15 045	16 254	–	–	–	–	(1 573)	(1 573)	14 681	18 364	563 743
Intangible Assets	15 045	16 254	–	–	–	–	(1 573)	(1 573)	14 681	18 364	563 743
Computer Equipment	–	–	–	–	–	–	–	–	–	–	1 000
Furniture and Office Equipment	–	–	–	–	–	–	720	720	720	–	–
Machinery and Equipment	9 089	9 197	–	–	–	–	1 457	1 457	10 654	3 500	13 000
Total Capital Expenditure to be adjusted	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667
Roads Infrastructure	2 991 627	3 161 505	–	–	–	–	(401 189)	(401 189)	2 760 316	2 560 177	1 874 955
Storm water Infrastructure	361 789	423 370	–	–	–	–	(34 274)	(34 274)	389 096	351 579	429 871
Electrical Infrastructure	987 489	1 045 427	–	–	–	133 640	(157 116)	(23 476)	1 021 950	1 387 665	1 385 499
Water Supply Infrastructure	1 457 855	1 502 344	–	–	–	267 281	(278 769)	(11 488)	1 490 855	2 419 837	1 925 724
Sanitation Infrastructure	3 363 401	3 418 763	–	–	–	–	(209 812)	(209 812)	3 208 951	3 382 257	3 696 246
Solid Waste Infrastructure	22 903	27 818	–	–	–	–	(2 978)	(2 978)	24 840	128 178	218 928
Coastal Infrastructure	215 416	225 117	–	–	–	–	(36 308)	(36 308)	188 809	119 105	1 000
Information and Communication Infrastructure	55 572	53 321	–	–	–	–	40 819	40 819	94 140	5 569	65 233
Infrastructure	9 456 052	9 857 665	–	–	–	400 921	(1 079 627)	(678 706)	9 178 958	10 354 367	9 597 458
Community Facilities	684 724	755 582	–	–	–	–	(28 115)	(28 115)	727 467	654 627	759 180
Sport and Recreation Facilities	122 690	128 888	–	–	–	–	(1 849)	(1 849)	127 040	97 590	216 642
Community Assets	807 413	884 470	–	–	–	–	(29 964)	(29 964)	854 506	752 217	975 823
Heritage Assets	–	–	–	–	–	–	231	231	231	–	–
Operational Buildings	534 533	571 154	–	–	–	–	123 895	123 895	695 049	629 178	874 947
Housing	328 648	328 686	–	–	–	–	117 103	117 103	445 789	155 220	65 732
Other Assets	863 181	899 840	–	–	–	–	240 999	240 999	1 140 839	784 397	940 680
Licences and Rights	119 456	124 590	–	–	–	–	(12 153)	(12 153)	112 437	206 460	760 523
Intangible Assets	119 456	124 590	–	–	–	–	(12 153)	(12 153)	112 437	206 460	760 523
Computer Equipment	298 902	300 140	–	–	–	–	230 216	230 216	530 356	164 662	278 218
Furniture and Office Equipment	117 323	118 936	–	–	–	–	32 134	32 134	151 070	36 384	35 235
Machinery and Equipment	221 413	253 448	–	–	–	–	40 154	40 154	293 602	168 152	182 963
Transport Assets	861 420	873 069	–	–	–	–	118 927	118 927	991 996	1 272 241	737 472
Land	116 834	224 145	–	–	–	–	(3 223)	(3 223)	220 923	50 000	104 345
Mature	645	645	–	–	–	–	–	–	645	–	950
Living Resources	645	645	–	–	–	–	–	–	645	–	950
TOTAL CAPITAL EXPENDITURE to be adjusted	12 862 639	13 536 948	–	–	–	400 921	(462 307)	(61 386)	13 475 562	13 788 881	13 613 667

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
	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	Adjusted Budget
R thousands												
ASSET REGISTER SUMMARY - PPE (WDV)	82 628 347	83 302 657	-	-	-	400 921	(2 622 491)	(2 221 570)	81 081 086	90 666 567	99 674 922	
<i>Roads Infrastructure</i>	15 292 100	15 461 979	-	-	-	-	(1 778 554)	(1 778 554)	13 683 425	15 640 874	16 818 402	
<i>Storm water Infrastructure</i>	1 990 133	2 051 714	-	-	-	-	(413 440)	(413 440)	1 638 274	1 894 378	2 210 767	
<i>Electrical Infrastructure</i>	10 717 604	10 775 541	-	-	-	133 640	(246 964)	(113 324)	10 662 217	11 629 379	12 559 089	
<i>Water Supply Infrastructure</i>	8 807 783	8 852 271	-	-	-	267 281	(1 031 014)	(763 733)	8 088 538	10 213 553	11 799 941	
<i>Sanitation Infrastructure</i>	12 823 276	12 878 638	-	-	-	-	(2 673 391)	(2 673 391)	10 205 246	13 245 177	16 431 031	
<i>Solid Waste Infrastructure</i>	815 146	820 061	-	-	-	-	466 680	466 680	1 286 740	1 337 607	1 478 919	
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-	-	-	
<i>Coastal Infrastructure</i>	498 649	508 350	-	-	-	-	(105 356)	(105 356)	402 993	510 765	485 179	
<i>Information and Communication Infrastructure</i>	9 247 356	9 245 105	-	-	-	-	3 046 604	3 046 604	12 291 709	12 166 951	12 104 860	
<i>Infrastructure</i>	60 192 046	60 593 659	-	-	-	400 921	(2 735 436)	(2 334 515)	58 259 144	66 638 683	73 888 189	
<i>Community Assets</i>	6 836 899	6 913 955	-	-	-	-	(178 581)	(178 581)	6 735 374	7 109 138	7 678 550	
<i>Heritage Assets</i>	10 340	10 340	-	-	-	-	(16)	(16)	10 324	10 324	10 324	
<i>Investment properties</i>	523 531	523 531	-	-	-	-	10 918	10 918	534 448	508 496	482 543	
<i>Other Assets</i>	6 230 902	6 267 561	-	-	-	-	(164 051)	(164 051)	6 103 510	6 451 676	6 957 240	
<i>Intangible Assets</i>	734 452	739 586	-	-	-	-	149 526	149 526	889 111	921 637	1 518 558	
<i>Computer Equipment</i>	597 098	598 335	-	-	-	-	228 151	228 151	826 486	738 386	773 890	
<i>Furniture and Office Equipment</i>	564 023	565 636	-	-	-	-	37 929	37 929	603 565	560 466	523 262	
<i>Machinery and Equipment</i>	633 091	665 126	-	-	-	-	16 884	16 884	682 010	643 858	616 427	
<i>Transport Assets</i>	4 643 275	4 654 924	-	-	-	-	103 219	103 219	4 758 143	5 354 934	5 391 674	
<i>Land</i>	1 660 237	1 767 549	-	-	-	-	(90 336)	(90 336)	1 677 213	1 727 213	1 831 558	
<i>Living Resources</i>	2 455	2 455	-	-	-	-	(698)	(698)	1 757	1 757	2 707	
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	82 628 347	83 302 657	-	-	-	400 921	(2 622 491)	(2 221 570)	81 081 086	90 666 567	99 674 922	
EXPENDITURE OTHER ITEMS												
<u>Depreciation & asset impairment</u>	3 974 164	3 974 164	-	-	-	-	21 957	21 957	3 996 121	4 203 401	4 605 313	
<u>Repairs and Maintenance by asset class</u>	6 842 018	6 842 075	-	-	-	-	15 244	15 244	6 857 318	7 322 744	7 548 054	
<i>Roads Infrastructure</i>	929 994	929 994	-	-	-	-	(24 184)	(24 184)	905 810	981 144	1 034 126	
<i>Storm water Infrastructure</i>	252 056	252 056	-	-	-	-	7 904	7 904	259 960	268 822	282 928	
<i>Electrical Infrastructure</i>	1 001 093	1 001 093	-	-	-	-	(34 913)	(34 913)	966 179	1 016 138	1 070 162	
<i>Water Supply Infrastructure</i>	778 239	778 239	-	-	-	-	(52 319)	(52 319)	725 921	854 059	877 458	
<i>Sanitation Infrastructure</i>	854 396	854 396	-	-	-	-	(53 932)	(53 932)	800 464	922 417	957 780	
<i>Solid Waste Infrastructure</i>	11 660	11 660	-	-	-	-	2 537	2 537	14 196	12 303	12 967	
<i>Coastal Infrastructure</i>	4 711	4 711	-	-	-	-	5 553	5 553	10 264	4 711	4 711	
<i>Infrastructure</i>	3 832 149	3 832 149	-	-	-	-	(149 347)	(149 347)	3 682 802	4 059 593	4 240 132	
<i>Community Facilities</i>	572 147	572 147	-	-	-	-	(15 609)	(15 609)	556 539	586 093	611 690	
<i>Sport and Recreation Facilities</i>	131 618	131 618	-	-	-	-	23 973	23 973	155 591	137 540	143 592	
<i>Community Assets</i>	703 765	703 765	-	-	-	-	8 365	8 365	712 130	723 633	755 282	
<i>Heritage Assets</i>	376	376	-	-	-	-	(304)	(304)	72	376	376	
<i>Revenue Generating</i>	165	165	-	-	-	-	(0)	(0)	164	165	165	
<i>Non-revenue Generating</i>	12	12	-	-	-	-	44	44	56	13	13	
<i>Investment properties</i>	177	177	-	-	-	-	43	43	220	178	179	
<i>Operational Buildings</i>	613 653	613 653	-	-	-	-	(118 965)	(118 965)	494 688	696 655	680 844	
<i>Housing</i>	86 360	86 360	-	-	-	-	(50 087)	(50 087)	36 273	89 310	94 229	
<i>Other Assets</i>	700 013	700 013	-	-	-	-	(169 051)	(169 051)	530 962	785 964	775 073	
<i>Computer Equipment</i>	421 253	421 253	-	-	-	-	46 505	46 505	467 758	439 335	467 128	
<i>Furniture and Office Equipment</i>	268 911	268 911	-	-	-	-	176 834	176 834	445 745	346 024	293 019	
<i>Machinery and Equipment</i>	412 982	412 982	-	-	-	-	70 643	70 643	483 625	438 736	460 531	
<i>Transport Assets</i>	502 392	502 449	-	-	-	-	31 557	31 557	534 006	528 904	556 332	
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	10 816 182	10 816 239	-	-	-	-	37 200	37 200	10 853 439	11 526 144	12 153 366	
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	57.2%								55.6%	51.7%	61.5%	
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	185.0%								187.6%	169.5%	181.8%	
<i>R&M as a % of PPE</i>	8.3%								8.5%	8.1%	7.6%	
<i>Renewal and upgrading and R&M as a % of PPE</i>	17.2%								17.7%	15.9%	16.0%	

Explanatory notes to Table B9 – Asset Management

- 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 11: MBRR Table B10 - Basic Service Delivery Measurement

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi- year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjsts.	Total Adjsts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	1 370 626	1 370 626	-	-	-	-	-	-	1 370 626	1 393 908	1 417 435
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	190 029	190 029	-	-	-	-	7 833	7 833	197 862	193 257	196 519
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	1 560 655	1 560 655	-	-	-	-	7 833	7 833	1 568 488	1 587 165	1 613 954
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-	-
Total number of households	1 560 655	1 560 655	-	-	-	-	7 833	7 833	1 568 488	1 587 165	1 613 954
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1 449 781	1 449 781	-	-	-	-	-	-	1 449 781	1 473 063	1 496 590
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-	-	-
Chemical toilet	73 680	73 680	-	-	-	-	-	-	73 680	73 680	73 680
Pit toilet (ventilated)	55	55	-	-	-	-	-	-	55	55	55
Other toilet provisions (> min.service level)	37 139	37 139	-	-	-	-	7 833	7 833	44 972	40 367	43 629
<i>Minimum Service Level and Above sub-total</i>	1 560 655	1 560 655	-	-	-	-	7 833	7 833	1 568 488	1 587 165	1 613 954
Bucket toilet	-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-	-
Total number of households	1 560 655	1 560 655	-	-	-	-	7 833	7 833	1 568 488	1 587 165	1 613 954
Energy:											
Electricity (at least min. service level)	614 192	614 192	-	-	-	-	-	-	614 192	615 692	617 192
Electricity - prepaid (> min.service level)	-	-	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	614 192	614 192	-	-	-	-	-	-	614 192	615 692	617 192
Electricity (< min.service level)	19 828	19 828	-	-	-	-	-	-	19 828	18 328	16 828
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	19 828	19 828	-	-	-	-	-	-	19 828	18 328	16 828
Total number of households	634 020	634 020	-	-	-	-	-	-	634 020	634 020	634 020
Refuse:											
Removed at least once a week (min.service)	1 181 146	1 181 146	-	-	-	-	-	-	1 181 146	1 204 769	1 228 864
Minimum Service Level and Above sub-total	1 181 146	1 181 146	-	-	-	-	-	-	1 181 146	1 204 769	1 228 864
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-	-
Total number of households	1 181 146	1 181 146	-	-	-	-	-	-	1 181 146	1 204 769	1 228 864
Households receiving Free Basic Service											
Water (6 kilolitres per household per month)	235 214	235 214	-	-	-	-	11 040	11 040	246 254	235 214	235 214
Sanitation (free minimum level service)	233 782	233 782	-	-	-	-	10 958	10 958	244 740	233 782	233 782
Electricity/other energy (50kwh per household per month)	170 829	170 829	-	-	-	-	-	-	170 829	170 829	170 829
Refuse (removed at least once a week)	298 620	298 620	-	-	-	-	-	-	298 620	304 593	310 685
Informal Settlements	1 408 032	1 408 032	-	-	-	-	-	-	1 408 032	1 421 521	1 435 219
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per indigent household per month)	306 612	306 612	-	-	-	-	17 909	17 909	324 521	325 929	381 793
Sanitation (free sanitation service to indigent households)	156 418	156 418	-	-	-	-	5 337	5 337	161 754	166 272	194 771
Electricity/other energy (50kwh per indigent household per month)	165 663	165 663	-	-	-	-	-	-	165 663	175 935	183 891
Refuse (removed once a week for indigent households)	540 000	540 000	-	-	-	-	37 787	37 787	577 787	572 400	606 744
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	1 548 918	1 548 918	-	-	-	-	(155 809)	(155 809)	1 393 109	1 603 091	1 709 377
Total cost of FBS provided	2 717 611	2 717 611	-	-	-	-	(94 777)	(94 777)	2 622 834	2 843 627	3 076 576

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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)	435	435	–	–	–	–	–	–	435	435	435
Water (kilolitres per household per month)	15	15	–	–	–	–	–	–	15	15	15
Sanitation (kilolitres per household per month)	11	11	–	–	–	–	–	–	11	11	11
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) (impermissible values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of	2 431 920	2 431 920	–	–	–	–	–	–	2 431 920	2 655 268	2 900 055
Water (in excess of 6 kilolitres per indigent household per month)	429 327	429 327	–	–	–	–	(13 718)	(13 718)	415 608	441 792	517 515
Sanitation (in excess of free sanitation service to indigent households)	222 627	222 627	–	–	–	–	(2 872)	(2 872)	219 755	229 567	268 915
Electricity/other energy (in excess of 50 kwh per indigent household per month)	23 676	23 676	–	–	–	–	–	–	23 676	25 144	26 281
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	27 545	27 545	–	–	–	–	–	–	27 545	28 056	28 576
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	3 135 095	3 135 095	–	–	–	–	(16 590)	(16 590)	3 118 504	3 379 827	3 741 343

Free services provided for Water & Sanitation, Electricity and Urban Waste are higher as follows:

- **Water**
15 kl of water per month per indigent property, free of charge.
- **Sanitation**
10.5 kl of sanitation per month per indigent property, free of charge.
- **Electricity**
Each connection supplied by the City to properties with a municipal property value of less than and equal to R500 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.
- **Refuse**
Consumers whose properties are valued between R1 and R650 000 receive rebates between 0% and 100% on the first 240ℓ container. Consumers who earn below R7 500, and who are registered on the Indigent Register will qualify for a rebate of 100% on the first 240ℓ container. Customers living in Council-owned housing rental and selling schemes earning R7 500 and below will receive 100% rebate.
- **City-wide Cleaning**
Consumers whose properties are valued between R1 and R500 000 will receive 100% rebate, and property values R500 001 to R1 million will receive a fixed rebate to the value of R33.57. Properties valued between R1 million and R1,25 million will receive a fixed rebate of R16.78. Consumers who earn below R7 500 and who are registered on the Indigent Register will qualify for a rebate of 100%. Customers living in Council-owned housing rental and selling schemes earning R7 500 and below will receive 100% rebate. A pensioner's rebate will be paid to those who qualify.

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 services: 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 over the 2025/26 MTREF.
- d. Refuse: This service has no backlogs.

As reflected in MBRR Table B10, for the 2025/26 financial year the City reports the cost and revenue cost of free basic services at R2,6 billion and R3,1 billion respectively, compared to an Equitable Share allocation of R4,6 billion, resulting in a variance of R2,0 billion and R1,5 billion respectively. This variance does not represent under-provision of services but rather stems from historical differences between the City's indigent household identification methodology and the census-based household data applied by National Treasury, particularly in respect of informal settlements.

Recognising this structural misalignment, the City has commissioned a joint initiative involving the Services Directorates, Future Planning & Resilience, and Finance to develop a consistent, evidence-based methodology for identifying formal and informal households benefiting from free basic services. This work will enable a more accurate reflection of the actual revenue cost incurred by the City, which exceeds the current Equitable Share allocation, and will be incorporated into the 2026/27 Medium-Term Revenue and Expenditure Framework (MTREF).

5. Adjustments to budget assumptions

The following budget assumptions underpinning the 2025/26 MTREF were adjusted.

Collection rates

The collection rate for Refuse has been revised upwards by 1 percentage point, whereas the collection rate for City-wide Cleaning has been adjusted downwards by 7 percentage points. This brings the collection rates for Urban Waste Management in line with the latest trends and projections for the rest of this financial year.

Services	2025/26 Approved Budget	2025/26 January Adjustment Budget
Refuse	94.00%	95.00%
City-wide Cleaning	95.00%	88.00%

Investment Interest rate

The investment interest rate has been adjusted downward by 1.25 percentage points due to prevailing market conditions as well as the reduction in the repo rate.

Parameter	2025/26 Approved Budget	2025/26 January Adjustment Budget
Investment interest rate	7.55%	6.30%

7. Adjustments related to allocations and grants to the City

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

6. Adjustments to budget funding

- Funding of operating and capital expenditure
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.
- Reconciliation showing that operating- and capital expenditure remain funded in accordance with MFMA section 18
Refer **Adjustments Budget Summary** on page 32.

8. Adjustments to transfers and grants made by the City

No adjustments were made.

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

An increase of R647,504 is due to a 5.4% cost of living increase that was implemented in this expenditure category.

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 29 January 2026.

11. Adjustments to capital expenditure

Full disclosure on adjustments to the capital budget is provided in Annexure 2.2.

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 53 to page 64.

Table 12: MBRR Table B1 - Consolidated Adjustments Budget Summary

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Financial Performance											
Property rates	13 761 592	13 761 592	–	–	–	–	149 917	149 917	13 911 508	14 939 155	15 936 660
Service charges	34 006 616	34 006 616	–	–	–	–	46 040	46 040	34 052 666	35 504 341	38 181 071
Investment revenue	778 395	778 395	–	–	–	–	553 302	553 302	1 331 698	670 355	812 570
Transfers recognised - operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Other own revenue	15 285 347	15 285 347	–	–	–	–	(88 438)	(88 438)	15 196 908	16 149 515	17 727 157
Total Revenue (excluding capital transfers and contributions)	71 161 512	71 261 220	–	–	–	–	587 654	587 654	71 848 875	74 668 082	80 218 474
Employee costs	21 003 489	21 004 178	–	–	–	–	(75 838)	(75 838)	20 928 340	22 340 924	23 886 638
Remuneration of councillors	197 729	197 729	–	–	–	–	648	648	198 376	207 615	217 996
Depreciation & asset impairment	4 025 354	4 025 354	–	–	–	–	(31 830)	(31 830)	4 032 488	4 255 891	4 658 803
Finance charges	1 428 206	1 427 112	–	–	–	–	(343 944)	(343 944)	1 083 168	1 776 623	2 054 031
Inventory consumed and bulk purchases	25 725 440	25 722 619	–	–	–	–	(73 232)	(73 232)	25 649 386	26 938 273	28 853 935
Transfers and subsidies	346 993	351 095	–	–	–	–	42 918	42 918	394 013	312 417	304 317
Other expenditure	18 936 013	19 034 846	(276 201)	–	–	–	348 961	72 760	19 068 643	19 414 909	19 740 635
Total Expenditure	71 663 224	71 762 933	(276 201)	–	–	–	(132 317)	(408 518)	71 354 414	75 246 652	79 716 355
Surplus/(Deficit)	(501 712)	(501 712)	276 201	–	–	–	719 972	996 173	494 460	(578 570)	502 119
Transfers and subsidies - capital (monetary allocations)	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 180 136	2 856 189
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associate	3 353 477	3 362 447	276 201	–	–	–	1 200 541	1 476 742	4 839 189	3 601 566	3 358 308
Surplus/ (Deficit) for the year	3 353 477	3 362 447	276 201	–	–	–	1 200 541	1 476 742	4 839 189	3 601 566	3 358 308
Capital expenditure & funds sources											
Capital expenditure	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261
Transfers recognised - capital	3 855 190	3 864 159	–	–	–	400 921	79 648	480 569	4 344 729	4 193 542	2 856 189
Borrowing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Internally generated funds	4 082 488	4 755 857	–	–	–	–	(541 955)	(541 955)	4 213 902	4 669 135	5 820 072
Total sources of capital funds	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261
Financial position											
Total current assets	25 925 854	27 199 762	–	–	–	–	(3 095 668)	(3 095 668)	24 104 094	23 163 960	22 446 859
Total non current assets	85 718 784	86 401 123	–	–	–	–	(184 601)	(184 601)	86 216 522	95 728 115	104 169 553
Total current liabilities	16 649 610	18 596 887	–	–	–	–	(3 724 581)	(3 724 581)	14 872 306	15 869 458	16 012 327
Total non current liabilities	20 716 422	20 716 422	–	–	–	–	(3 553 649)	(3 553 649)	17 162 774	21 145 868	25 384 379
Community wealth/Equity	74 278 606	74 287 575	276 201	–	–	–	3 721 760	3 997 961	78 285 536	81 876 749	85 219 705

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Cash flows											
Net cash from (used) operating	6 885 804	6 893 681	–	–	–	–	1 768 712	1 768 712	8 662 393	7 819 125	7 737 495
Net cash from (used) investing	(13 020 575)	(13 702 913)	–	–	–	–	(18 394)	(18 394)	(13 721 308)	(13 958 710)	(13 736 938)
Net cash from (used) financing	3 885 252	3 885 252	–	–	–	–	49 874	49 874	3 935 126	3 775 277	3 567 006
Cash/cash equivalents at the year end	6 599 092	7 873 000	–	–	–	–	1 800 192	1 800 192	9 673 192	7 308 884	4 876 448
Cash backing/surplus reconciliation											
Cash and investments available	15 755 252	17 029 159	–	–	–	–	234 827	234 827	17 263 987	14 935 055	12 535 399
Application of cash and investments	7 478 877	9 204 709	–	–	–	–	(1 264 689)	(1 264 689)	7 940 020	6 704 403	6 343 213
Balance - surplus (shortfall)	8 276 375	7 824 450	–	–	–	–	1 499 516	1 499 516	9 323 966	8 230 651	6 192 186
Asset Management											
Asset register summary (WDV)	83 210 034	83 892 373	–	–	–	400 921	(2 622 491)	(2 221 570)	81 670 802	93 245 363	101 533 578
Depreciation	4 025 354	4 025 354	–	–	–	–	7 134	7 134	4 032 488	4 255 891	4 658 803
Renewal and Upgrading of Existing Assets	7 392 158	7 694 151	–	–	–	133 640	(288 922)	(155 282)	7 538 870	7 160 981	8 405 105
Repairs and Maintenance	6 885 827	6 885 884	–	–	–	–	16 608	16 608	6 902 492	7 368 525	7 595 895
Free services											
Cost of Free Basic Services provided	2 717 611	2 717 611	–	–	–	–	(94 777)	(94 777)	2 622 834	2 843 627	3 076 576
Revenue cost of free services provided	3 135 095	3 135 095	–	–	–	–	(16 590)	(16 590)	3 118 504	3 379 827	3 741 343
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	19 828	19 828	–	–	–	–	–	–	19 828	18 328	16 828
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Table 13: MBRR Table B2 - Consolidated Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue - Functional											
<i>Governance and administration</i>	20 899 510	20 899 510	–	–	–	–	833 673	833 673	21 733 183	22 241 790	23 721 942
Executive and council	393	393	–	–	–	–	–	–	393	411	429
Finance and administration	20 899 114	20 899 114	–	–	–	–	833 673	833 673	21 732 787	22 241 376	23 721 509
Internal audit	4	4	–	–	–	–	–	–	4	4	4
<i>Community and public safety</i>	4 772 581	4 864 346	–	–	–	–	9 293	9 293	4 873 639	4 806 593	5 043 243
Community and social services	142 377	142 377	–	–	–	–	909	909	143 286	136 587	153 010
Sport and recreation	102 068	102 068	–	–	–	–	(2 372)	(2 372)	99 696	113 576	109 128
Public safety	2 344 266	2 344 266	–	–	–	–	21 887	21 887	2 366 153	2 353 528	2 444 519
Housing	1 732 928	1 824 694	–	–	–	–	(12 296)	(12 296)	1 812 397	1 702 389	1 811 814
Health	450 941	450 941	–	–	–	–	1 166	1 166	452 107	500 513	524 773
<i>Economic and environmental services</i>	4 279 566	4 288 536	–	–	–	–	(48 789)	(48 789)	4 230 747	4 370 081	2 967 777
Planning and development	740 131	740 131	–	–	–	–	5 179	5 179	745 309	769 044	780 328
Road transport	3 479 674	3 488 644	–	–	–	–	(53 768)	(53 768)	3 434 876	3 568 111	2 149 053
Environmental protection	59 761	59 761	–	–	–	–	(200)	(200)	59 561	32 926	38 396
<i>Trading services</i>	44 602 463	44 610 406	–	–	–	–	266 738	266 738	44 877 145	46 938 408	50 819 412
Energy sources	24 274 550	24 274 550	–	–	–	–	153 284	153 284	24 427 834	24 985 261	25 821 823
Water management	12 577 501	12 577 501	–	–	–	–	390 472	390 472	12 967 973	13 645 660	15 903 866
Waste water management	4 438 859	4 446 803	–	–	–	–	1 548	1 548	4 448 351	4 814 031	5 350 782
Waste management	3 311 553	3 311 553	–	–	–	–	(278 566)	(278 566)	3 032 987	3 493 456	3 742 941
<i>Other</i>	462 581	462 581	–	–	–	–	7 308	7 308	469 889	491 346	522 289
Total Revenue - Functional	75 016 701	75 125 380	–	–	–	–	1 068 224	1 068 224	76 193 603	78 848 218	83 074 663
Expenditure - Functional											
<i>Governance and administration</i>	3 255 812	3 283 156	–	–	–	–	167 140	167 140	3 450 295	4 044 820	4 306 163
Executive and council	133 192	133 068	–	–	–	–	94 645	94 645	227 713	121 430	106 126
Finance and administration	3 119 756	3 147 223	–	–	–	–	71 478	71 478	3 218 701	3 920 704	4 197 854
Internal audit	2 864	2 864	–	–	–	–	1 017	1 017	3 882	2 686	2 184
<i>Community and public safety</i>	15 605 681	15 668 364	–	–	–	–	(208 008)	(208 008)	15 460 356	16 322 006	17 220 051
Community and social services	1 853 305	1 856 920	–	–	–	–	6 124	6 124	1 863 044	1 962 850	2 087 159
Sport and recreation	2 496 139	2 494 876	–	–	–	–	28 991	28 991	2 523 867	2 613 648	2 757 144
Public safety	6 736 213	6 707 438	–	–	–	–	(175 182)	(175 182)	6 532 256	6 995 160	7 297 865
Housing	2 609 915	2 699 022	–	–	–	–	(20 946)	(20 946)	2 678 076	2 711 011	2 917 237
Health	1 910 108	1 910 108	–	–	–	–	(46 995)	(46 995)	1 863 113	2 039 337	2 160 647
<i>Economic and environmental services</i>	8 166 494	8 168 427	–	–	–	–	247 878	247 878	8 416 304	8 443 543	8 866 403
Planning and development	2 246 064	2 246 490	–	–	–	–	(29 508)	(29 508)	2 216 982	2 317 462	2 283 956
Road transport	5 379 680	5 381 613	–	–	–	–	212 932	212 932	5 594 545	5 592 024	6 023 212
Environmental protection	540 749	540 323	–	–	–	–	64 453	64 453	604 777	534 058	559 235
<i>Trading services</i>	44 031 217	44 038 967	(276 201)	–	–	–	(329 629)	(605 830)	43 433 137	45 810 326	48 671 491
Energy sources	23 953 367	23 953 167	(276 201)	–	–	–	4 814	(271 387)	23 681 779	24 353 700	25 193 132
Water management	10 863 512	10 867 913	–	–	–	–	(32 387)	(32 387)	10 835 526	11 635 096	13 079 658
Waste water management	6 054 187	6 057 736	–	–	–	–	(159 346)	(159 346)	5 898 390	6 467 901	6 768 586
Waste management	3 160 152	3 160 152	–	–	–	–	(142 710)	(142 710)	3 017 442	3 353 628	3 630 115
<i>Other</i>	624 048	624 048	–	–	–	–	(1 518)	(1 518)	622 530	649 160	678 929
Total Expenditure - Functional	71 683 252	71 782 961	(276 201)	–	–	–	(124 138)	(400 339)	71 382 622	75 269 856	79 743 038
Surplus/ (Deficit) for the year	3 333 449	3 342 419	276 201	–	–	–	1 192 362	1 468 563	4 810 981	3 578 362	3 331 625

Table 14: MBRR Table B3 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue by Vote											
Vote 1 - Community Services & Health	988 503	988 503	–	–	–	–	2 841	2 841	991 345	1 031 950	1 048 358
Vote 2 - Corporate Services	99 480	99 480	–	–	–	–	776	776	100 255	92 599	95 615
Vote 3 - Economic Growth	367 264	367 264	–	–	–	–	8 823	8 823	376 088	341 601	444 107
Vote 4 - Energy	24 032 288	24 032 288	–	–	–	–	153 284	153 284	24 185 572	24 706 641	25 501 390
Vote 5 - Finance	20 062 183	20 062 183	–	–	–	–	803 604	803 604	20 865 787	21 409 495	22 760 692
Vote 6 - Future Planning & Resilience	65 915	65 915	–	–	–	–	8 964	8 964	74 880	62 801	54 236
Vote 7 - Human Settlements	1 771 568	1 863 334	–	–	–	–	(18 859)	(18 859)	1 844 475	1 777 438	1 932 209
Vote 8 - Office of the City Manager	957	957	–	–	–	–	3 410	3 410	4 367	1 000	1 044
Vote 9 - Safety & Security	2 396 509	2 396 509	–	–	–	–	23 133	23 133	2 419 641	2 408 133	2 554 539
Vote 10 - Spatial Planning & Environment	749 446	749 446	–	–	–	–	(7 444)	(7 444)	742 002	729 628	758 562
Vote 11 - Urban Mobility	3 511 579	3 520 549	–	–	–	–	(2 683)	(2 683)	3 517 866	3 583 130	2 162 477
Vote 12 - Urban Waste Management	3 323 144	3 323 144	–	–	–	–	(271 794)	(271 794)	3 051 349	3 563 135	3 800 163
Vote 13 - Water & Sanitation	17 066 506	17 074 450	–	–	–	–	360 255	360 255	17 434 704	18 525 199	21 309 273
Vote 14 - Cape Town International Convention Centre	461 194	461 194	–	–	–	–	7 413	7 413	468 608	489 896	520 775
Vote 15 - Cape Town Stadium	120 165	120 165	–	–	–	–	(3 500)	(3 500)	116 665	125 572	131 223
Total Revenue by Vote	75 016 701	75 125 380	–	–	–	–	1 068 224	1 068 224	76 193 603	78 848 218	83 074 663
Expenditure by Vote											
Vote 1 - Community Services & Health	4 917 247	4 917 247	–	–	–	–	(31 291)	(31 291)	4 885 956	5 120 216	5 353 031
Vote 2 - Corporate Services	4 123 703	4 123 703	–	–	–	–	15 991	15 991	4 139 694	4 705 502	4 939 907
Vote 3 - Economic Growth	760 365	760 365	–	–	–	–	31 150	31 150	791 514	725 690	740 641
Vote 4 - Energy	21 744 942	21 744 942	(276 201)	–	–	–	18 150	(258 051)	21 486 891	22 322 015	23 226 939
Vote 5 - Finance	4 356 280	4 356 280	–	–	–	–	(150 925)	(150 925)	4 205 355	4 884 077	5 342 781
Vote 6 - Future Planning & Resilience	595 825	595 825	–	–	–	–	29 046	29 046	624 870	608 803	613 313
Vote 7 - Human Settlements	1 705 085	1 796 850	–	–	–	–	(16 476)	(16 476)	1 780 374	1 752 332	1 857 715
Vote 8 - Office of the City Manager	524 560	524 560	–	–	–	–	27 728	27 728	552 288	543 055	561 255
Vote 9 - Safety & Security	6 692 842	6 692 842	–	–	–	–	36 466	36 466	6 729 308	6 926 543	7 209 448
Vote 10 - Spatial Planning & Environment	1 953 826	1 953 826	–	–	–	–	40 379	40 379	1 994 205	1 966 504	1 932 189
Vote 11 - Urban Mobility	4 706 689	4 706 689	–	–	–	–	149 157	149 157	4 855 846	4 862 461	5 236 131
Vote 12 - Urban Waste Management	4 100 966	4 100 966	–	–	–	–	(119 770)	(119 770)	3 981 197	4 333 946	4 522 731
Vote 13 - Water & Sanitation	14 942 522	14 950 465	–	–	–	–	(136 279)	(136 279)	14 814 186	15 929 482	17 585 134
Vote 14 - Cape Town International Convention Centre	438 236	438 236	–	–	–	–	(13 962)	(13 962)	424 274	463 656	490 600
Vote 15 - Cape Town Stadium	120 165	120 165	–	–	–	–	(3 500)	(3 500)	116 665	125 572	131 223
Total Expenditure by Vote	71 683 252	71 782 961	(276 201)	–	–	–	(124 138)	(400 339)	71 382 622	75 269 856	79 743 038
Surplus/ (Deficit) for the year	3 333 449	3 342 418	276 201	–	–	–	1 192 362	1 468 563	4 810 981	3 578 362	3 331 625

Table 15: MBRR Table B4 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure)

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Revenue By Source											
Exchange Revenue											
Service charges - Electricity	23 610 833	23 610 833	–	–	–	–	4 145	4 145	23 614 978	24 251 997	25 032 439
Service charges - Water	5 771 137	5 771 137	–	–	–	–	92 305	92 305	5 863 442	6 252 336	7 428 341
Service charges - Waste Water Management	2 966 006	2 966 006	–	–	–	–	(2 580)	(2 580)	2 963 426	3 235 545	3 850 787
Service charges - Waste Management	1 658 640	1 658 640	–	–	–	–	(47 829)	(47 829)	1 610 811	1 764 463	1 869 504
Sale of Goods and Rendering of Services	815 257	815 257	–	–	–	–	(83 355)	(83 355)	731 902	813 239	862 019
Agency services	302 874	302 874	–	–	–	–	–	–	302 874	310 022	337 339
Interest	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables	339 731	339 731	–	–	–	–	(10 698)	(10 698)	329 033	364 128	418 418
Interest earned from Current and Non Current Assets	778 395	778 395	–	–	–	–	553 302	553 302	1 331 698	670 355	812 570
Dividends	–	–	–	–	–	–	–	–	–	–	–
Rent on Land	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets	744 999	744 999	–	–	–	–	5 175	5 175	750 174	797 810	898 088
Special rating levies	494 107	494 107	–	–	–	–	(7 225)	(7 225)	486 882	523 753	555 178
Licence and permits	205	205	–	–	–	–	–	–	205	214	224
Operational Revenue	647 672	647 672	–	–	–	–	(35 536)	(35 536)	612 136	677 675	717 848
Non-Exchange Revenue											
Property rates	13 761 592	13 761 592	–	–	–	–	149 917	149 917	13 911 508	14 939 155	15 936 660
Surcharges and Taxes	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 878 556	1 878 556	–	–	–	–	26 743	26 743	1 905 299	1 892 592	1 916 560
Licences or permits	50 301	50 301	–	–	–	–	(2 392)	(2 392)	47 909	52 565	54 877
Transfer and subsidies - Operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Interest	98 675	98 675	–	–	–	–	–	–	98 675	103 115	107 652
Fuel Levy	2 851 776	2 851 776	–	–	–	–	–	–	2 851 776	2 972 451	3 096 441
Operational Revenue	906 078	906 078	–	–	–	–	(136 568)	(136 568)	769 510	980 527	1 089 489
Gains on disposal of Assets	70 772	70 772	–	–	–	–	13 454	13 454	84 226	60 884	110 999
Other Gains	6 084 343	6 084 343	–	–	–	–	141 964	141 964	6 226 308	6 600 539	7 562 025
Discontinued Operations	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	71 161 512	71 261 220	–	–	–	–	587 654	587 654	71 848 875	74 668 082	80 218 474
Expenditure By Type											
Employee related costs	21 003 489	21 004 178	–	–	–	–	(75 838)	(75 838)	20 928 340	22 340 924	23 886 638
Remuneration of councillors	197 729	197 729	–	–	–	–	648	648	198 376	207 615	217 996
Bulk purchases - electricity	17 755 086	17 755 086	–	–	–	–	(0)	(0)	17 755 086	18 363 846	19 062 355
Inventory consumed	7 970 354	7 967 533	–	–	–	–	(73 232)	(73 232)	7 894 300	8 574 427	9 791 580
Debt impairment	3 217 478	3 217 478	–	–	–	–	(38 964)	(38 964)	3 178 514	3 214 620	3 242 407
Depreciation and amortisation	4 025 354	4 025 354	–	–	–	–	7 134	7 134	4 032 488	4 255 891	4 658 803
Interest	1 428 206	1 427 112	–	–	–	–	(343 944)	(343 944)	1 083 168	1 776 623	2 054 031
Contracted services	11 229 839	11 325 604	(276 201)	–	–	–	249 753	(26 448)	11 299 155	11 156 136	11 235 162
Transfers and subsidies	346 993	351 095	–	–	–	–	42 918	42 918	394 013	312 417	304 317
Irrecoverable debts written off	123 382	123 382	–	–	–	–	74 563	74 563	197 945	123 382	123 382
Operational costs	3 830 721	3 833 790	–	–	–	–	74 711	74 711	3 908 500	4 341 792	4 455 770
Losses on disposal of Assets	2 500	2 500	–	–	–	–	80	80	2 581	2 500	2 500
Other Losses	532 092	532 092	–	–	–	–	(50 145)	(50 145)	481 948	576 478	681 412
Total Expenditure	71 663 224	71 762 933	(276 201)	–	–	–	(132 317)	(408 518)	71 354 414	75 246 652	79 716 355
Surplus/(Deficit)	(501 712)	(501 712)	276 201	–	–	–	719 972	996 173	494 460	(578 570)	502 119
Transfers and subsidies - capital (monetary allocations)	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 180 136	2 856 189
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	3 353 477	3 362 447	276 201	–	–	–	1 200 541	1 476 742	4 839 189	3 601 566	3 358 308
Income Tax	11 407	11 407	–	–	–	–	8 179	8 179	19 586	13 350	15 352
Surplus/(Deficit) after taxation	3 342 070	3 351 040	276 201	–	–	–	1 192 362	1 468 563	4 819 603	3 588 216	3 342 956
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	8 621	8 621	–	–	–	–	–	–	8 621	9 854	11 331
Surplus/(Deficit) attributable to municipality	3 350 691	3 359 661	276 201	–	–	–	1 192 362	1 468 563	4 828 224	3 598 070	3 354 287
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	3 350 691	3 359 661	276 201	–	–	–	1 192 362	1 468 563	4 828 224	3 598 070	3 354 287

Table 16: MBRR Table B5 - Consolidated Adjustments Capital Expenditure Budget by vote and funding

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Community Services & Health	317 218	332 336	–	–	–	–	4 146	4 146	336 481	259 796	305 681
Vote 2 - Corporate Services	498 476	510 065	–	–	–	–	231 078	231 078	741 143	548 169	1 235 857
Vote 3 - Economic Growth	111 099	141 641	–	–	–	–	(3 445)	(3 445)	138 195	84 703	160 256
Vote 4 - Energy	1 249 640	1 329 735	–	–	–	133 640	(102 621)	31 019	1 360 754	1 647 946	1 572 395
Vote 5 - Finance	123 163	125 012	–	–	–	–	331	331	125 343	20 784	147 245
Vote 6 - Future Planning & Resilience	5 414	6 480	–	–	–	–	15 336	15 336	21 816	11 666	5 810
Vote 7 - Human Settlements	1 228 699	1 351 457	–	–	–	–	89 008	89 008	1 440 465	986 704	1 057 290
Vote 8 - Office of the City Manager	8 675	8 799	–	–	–	–	9 685	9 685	18 484	5 596	54 532
Vote 9 - Safety & Security	344 830	345 566	–	–	–	–	80 716	80 716	426 282	195 839	424 624
Vote 10 - Spatial Planning & Environment	519 567	546 271	–	–	–	–	(87 160)	(87 160)	459 112	342 696	230 364
Vote 11 - Urban Mobility	3 090 530	3 311 282	–	–	–	–	(289 332)	(289 332)	3 021 950	3 263 451	1 919 669
Vote 12 - Urban Waste Management	438 953	450 047	–	–	–	–	–	–	450 047	581 984	784 018
Vote 13 - Water & Sanitation	4 926 374	5 078 257	–	–	550	267 281	(410 048)	(142 767)	4 935 490	5 839 550	5 715 926
Vote 14 - Cape Town International Convention Centre	75 039	83 068	–	–	–	–	–	–	83 068	73 795	62 594
Vote 15 - Cape Town Stadium	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261
Capital Expenditure - Functional											
Governance and administration	1 338 710	1 366 249	–	–	–	–	464 632	464 632	1 830 881	1 825 121	2 212 306
Executive and council	27 948	30 556	–	–	–	–	(400)	(400)	30 156	1 653	1 750
Finance and administration	1 310 672	1 335 603	–	–	–	–	465 115	465 115	1 800 718	1 819 106	2 210 387
Internal audit	90	90	–	–	–	–	(83)	(83)	7	4 361	169
Community and public safety	1 864 454	2 005 780	–	–	–	–	171 113	171 113	2 176 893	1 328 136	1 683 307
Community and social services	138 247	142 394	–	–	–	–	6 281	6 281	148 675	112 648	155 313
Sport and recreation	235 626	243 616	–	–	–	–	20 676	20 676	264 292	104 366	281 177
Public safety	231 780	232 516	–	–	–	–	80 991	80 991	313 508	78 542	201 600
Housing	1 202 911	1 329 406	–	–	–	–	85 714	85 714	1 415 120	965 859	996 368
Health	55 890	57 848	–	–	–	–	(22 550)	(22 550)	35 298	66 722	48 849
Economic and environmental services	3 604 890	3 882 810	–	–	–	–	(429 025)	(429 025)	3 453 785	3 640 987	2 266 620
Planning and development	280 769	318 150	–	–	–	–	(79 360)	(79 360)	238 789	152 703	198 844
Road transport	3 013 970	3 234 680	–	–	–	–	(340 013)	(340 013)	2 894 667	3 245 499	1 918 995
Environmental protection	310 151	329 981	–	–	–	–	(9 652)	(9 652)	320 329	242 785	148 782
Trading services	6 052 141	6 279 664	–	–	–	400 921	(669 467)	(268 546)	6 011 118	6 992 402	7 449 624
Energy sources	1 228 075	1 300 903	–	–	–	133 640	(99 844)	33 796	1 334 700	1 646 446	1 570 395
Water management	1 478 230	1 528 762	–	–	–	267 281	(366 839)	(99 558)	1 429 204	1 854 197	1 808 480
Waste water management	3 258 361	3 354 452	–	–	–	–	(198 879)	(198 879)	3 155 573	3 274 783	3 712 200
Waste management	87 476	95 547	–	–	–	–	(3 906)	(3 906)	91 641	216 977	358 550
Other	77 484	85 513	–	–	–	–	441	441	85 954	76 030	64 404
Total Capital Expenditure - Functional	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261
Funded by:											
National Government	3 735 882	3 735 882	–	–	–	400 921	89 529	490 450	4 226 332	4 048 734	2 761 689
Provincial Government	6 657	6 657	–	–	–	–	4 033	4 033	10 690	6 377	6 934
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov	112 651	121 621	–	–	–	–	(13 914)	(13 914)	107 707	138 431	87 566
Departm Agencies, Households, Non-profit Institutions, Private											
Enterprises, Public Corporatons, Higher Educ Institutions)											
Transfers recognised - capital	3 855 190	3 864 159	–	–	–	400 921	79 648	480 569	4 344 729	4 193 542	2 856 189
Borrowing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Internally generated funds	4 082 488	4 755 857	–	–	–	–	(541 955)	(541 955)	4 213 902	4 669 135	5 820 072
Total Capital Funding	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261

Table 17: MBRR Table B6 - Consolidated Adjustments Budget Financial Position

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
ASSETS											
Current assets											
Cash and cash equivalents	13 565 379	14 839 287	–	–	–	–	(1 742 381)	(1 742 381)	13 096 906	10 607 895	8 036 693
Trade and other receivables from exchange transactions	4 284 376	4 284 376	–	–	–	–	(766 796)	(766 796)	3 517 580	4 356 175	5 280 610
Receivables from non-exchange transactions	6 337 044	6 337 044	–	–	–	–	6 148	6 148	6 343 192	7 169 334	8 035 479
Current portion of non-current receivables	5 866	5 866	–	–	–	–	12	12	5 877	5 821	5 813
Inventory	536 191	536 191	–	–	–	–	15 038	15 038	551 229	588 402	625 234
VAT	1 196 998	1 196 998	–	–	–	–	(607 689)	(607 689)	589 309	436 332	463 030
Other current assets	–	–	–	–	–	–	–	–	–	–	–
Total current assets	25 925 854	27 199 762	–	–	–	–	(3 095 668)	(3 095 668)	24 104 094	23 163 960	22 446 859
Non current assets											
Investments	2 189 872	2 189 872	–	–	–	–	1 977 208	1 977 208	4 167 080	4 327 160	4 498 706
Investment property	571 011	571 011	–	–	–	–	180	180	571 191	569 479	567 768
Property, plant and equipment	81 973 305	82 650 509	–	–	–	–	(2 239 223)	(2 239 223)	80 411 287	89 286 875	97 470 310
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources	1 440	1 440	–	–	–	–	(478)	(478)	962	625	1 155
Heritage assets	11 184	11 184	–	–	–	–	(629)	(629)	10 555	10 555	10 555
Intangible assets	653 094	658 228	–	–	–	–	120 775	120 775	779 003	1 273 308	1 379 269
Trade and other receivables from exchange transactions	–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions	190 424	190 424	–	–	–	–	(56)	(56)	190 368	187 388	184 416
Other non-current assets	128 454	128 454	–	–	–	–	(42 378)	(42 378)	86 076	72 726	57 374
Total non current assets	85 718 784	86 401 123	–	–	–	–	(184 601)	(184 601)	86 216 522	95 728 115	104 169 553
TOTAL ASSETS	111 644 638	113 600 885	–	–	–	–	(3 280 269)	(3 280 269)	110 320 616	118 892 075	126 616 412
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Financial liabilities	1 346 115	1 346 115	–	–	–	–	(230 476)	(230 476)	1 115 639	1 330 656	1 455 593
Consumer deposits	547 313	547 313	–	–	–	–	80 919	80 919	628 233	654 663	681 867
Trade and other payables from exchange transactions	11 470 776	13 418 050	–	–	–	–	(3 054 022)	(3 054 022)	10 364 029	10 964 496	10 822 004
Trade and other payables from non-exchange transactions	833 187	833 187	–	–	–	–	(526 082)	(526 082)	307 105	307 105	307 105
Provisions	1 990 806	1 990 808	–	–	–	–	57 859	57 859	2 048 667	2 137 788	2 201 765
VAT	461 413	461 413	–	–	–	–	(52 779)	(52 779)	408 634	474 749	543 994
Other current liabilities	–	–	–	–	–	–	–	–	–	–	–
Total current liabilities	16 649 610	18 596 887	–	–	–	–	(3 724 581)	(3 724 581)	14 872 306	15 869 458	16 012 327
Non current liabilities											
Borrowing	13 459 944	13 459 944	–	–	–	–	(3 498 429)	(3 498 429)	9 961 515	13 439 538	16 917 279
Provisions	7 256 478	7 256 478	–	–	–	–	(55 219)	(55 219)	7 201 259	7 706 330	8 467 100
Other non-current liabilities	–	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	20 716 422	20 716 422	–	–	–	–	(3 553 649)	(3 553 649)	17 162 774	21 145 868	25 384 379
TOTAL LIABILITIES	37 366 032	39 313 309	–	–	–	–	(7 278 230)	(7 278 230)	32 035 080	37 015 326	41 396 707
NET ASSETS	74 278 606	74 287 575	–	–	–	–	3 997 961	3 997 961	78 285 536	81 876 749	85 219 705
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	69 003 123	69 233 535	276 201	–	–	–	2 121 759	2 397 959	71 631 494	75 469 087	77 318 183
Funds and Reserves	5 275 483	5 054 041	–	–	–	–	1 600 002	1 600 002	6 654 042	6 407 662	7 901 523
Other	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	74 278 606	74 287 575	276 201	–	–	–	3 721 760	3 997 961	78 285 536	81 876 749	85 219 705

Table 18: MBRR Table B7 - Consolidated Adjustments Budget Cash Flow

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	13 655 731	13 655 731	–	–	–	–	136 533	136 533	13 792 264	14 811 988	15 797 566
Service charges	33 822 077	33 822 077	–	–	–	–	(120 797)	(120 797)	33 701 279	35 440 019	38 246 728
Other revenue	5 648 650	5 648 650	–	–	–	–	(89 571)	(89 571)	5 559 079	5 875 359	6 236 775
Transfers and Subsidies - Operational	7 329 561	7 429 270	–	–	–	–	(73 166)	(73 166)	7 356 104	7 404 716	7 561 017
Transfers and Subsidies - Capital	3 855 190	3 864 159	–	–	–	–	480 569	480 569	4 344 729	4 193 542	2 856 189
Interest	777 395	777 395	–	–	–	–	553 302	553 302	1 330 698	669 310	811 478
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(56 446 683)	(56 543 382)	–	–	–	–	563 219	563 219	(55 980 163)	(58 968 785)	(61 743 752)
Finance charges	(1 367 594)	(1 367 594)	–	–	–	–	361 533	361 533	(1 006 061)	(1 253 076)	(1 682 659)
Transfers and Subsidies	(388 523)	(392 626)	–	–	–	–	(42 911)	(42 911)	(435 536)	(353 947)	(345 847)
NET CASH FROM/(USED) OPERATING ACTIVITIES	6 885 804	6 893 681	–	–	–	–	1 768 712	1 768 712	8 662 393	7 819 125	7 737 495
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	70 772	70 772	–	–	–	–	13 454	13 454	84 226	60 884	110 999
Decrease (increase) in non-current receivables	60	60	–	–	–	–	4	4	64	(25)	3
Decrease (increase) in non-current investments	(153 729)	(153 729)	–	–	–	–	(93 238)	(93 238)	(246 967)	(160 080)	(171 546)
Payments											
Capital assets	(12 937 678)	(13 620 016)	–	–	–	–	61 386	61 386	(13 558 630)	(13 859 489)	(13 676 393)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(13 020 575)	(13 702 913)	–	–	–	–	(18 394)	(18 394)	(13 721 308)	(13 958 710)	(13 736 938)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	5 000 000	5 000 000	–	–	–	–	–	–	5 000 000	5 000 000	5 000 000
Increase (decrease) in consumer deposits	24 594	24 594	–	–	–	–	14 778	14 778	39 372	19 636	19 866
Payments											
Repayment of borrowing	(1 139 343)	(1 139 343)	–	–	–	–	35 096	35 096	(1 104 247)	(1 244 359)	(1 452 860)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 885 252	3 885 252	–	–	–	–	49 874	49 874	3 935 126	3 775 277	3 567 006
NET INCREASE/(DECREASE) IN CASH HELD	(2 249 520)	(2 923 980)	–	–	–	–	1 800 192	1 800 192	(1 123 789)	(2 364 308)	(2 432 436)
Cash/cash equivalents at the year begin:	8 848 612	10 796 980	–	–	–	–	–	–	10 796 980	9 673 192	7 308 884
Cash/cash equivalents at the year end:	6 599 092	7 873 000	–	–	–	–	1 800 192	1 800 192	9 673 192	7 308 884	4 876 448

Table 19: MBRR Table B8 - Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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
R thousands											
Cash and investments available											
Cash/cash equivalents at the year end	6 599 092	7 873 000	–	–	–	–	1 800 192	1 800 192	9 673 192	7 308 884	4 876 448
Other current investments > 90 days	6 966 288	6 966 287	–	–	–	–	(3 542 572)	(3 542 572)	3 423 715	3 299 011	3 160 245
Non current assets - Investments	2 189 872	2 189 872	–	–	–	–	1 977 208	1 977 208	4 167 080	4 327 160	4 498 706
Cash and investments available:	15 755 252	17 029 159	–	–	–	–	234 827	234 827	17 263 987	14 935 055	12 535 399
Applications of cash and investments											
Unspent conditional transfers	833 187	833 187	–	–	–	–	(526 082)	(526 082)	307 105	307 105	307 105
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	1 370 207	3 317 481	–	–	–	–	(2 338 608)	(2 338 608)	978 873	(10 364)	(1 865 415)
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5 275 483	5 054 041	–	–	–	–	1 600 002	1 600 002	6 654 042	6 407 662	7 901 523
Total Application of cash and investments:	7 478 877	9 204 709	–	–	–	–	(1 264 689)	(1 264 689)	7 940 020	6 704 403	6 343 213
Surplus(shortfall)	8 276 375	7 824 450	–	–	–	–	1 499 516	1 499 516	9 323 966	8 230 651	6 192 186

Table 20: MBRR Table B9 - Consolidated Asset Management

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjsts.	Total Adjsts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands											
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	5 545 520	5 925 864	–	–	–	267 281	(173 385)	93 896	6 019 760	6 701 695	5 271 156
Roads Infrastructure	2 562 889	2 659 151	–	–	–	–	(272 777)	(272 777)	2 386 374	2 320 552	1 390 940
Storm water Infrastructure	212 633	217 420	–	–	–	–	(3 673)	(3 673)	213 747	202 410	279 042
Electrical Infrastructure	308 060	315 032	–	–	–	–	19 785	19 785	334 817	316 060	472 289
Water Supply Infrastructure	913 955	958 444	–	–	–	267 281	(200 184)	67 097	1 025 540	1 875 485	1 479 539
Sanitation Infrastructure	496 515	516 876	–	–	–	–	(40 865)	(40 865)	476 012	546 317	397 215
Solid Waste Infrastructure	20 873	24 600	–	–	–	–	(11 159)	(11 159)	13 441	51 906	162 945
Coastal Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	6 100	6 100	–	–	–	–	883	883	6 983	1 300	4 300
Infrastructure	4 521 025	4 697 623	–	–	–	267 281	(507 989)	(240 708)	4 456 914	5 314 030	4 186 269
Community Facilities	201 921	226 367	–	–	–	–	47 629	47 629	273 997	231 848	232 296
Sport and Recreation Facilities	650	650	–	–	–	–	220	220	870	1 000	–
Community Assets	202 571	227 017	–	–	–	–	47 849	47 849	274 866	232 848	232 296
Operational Buildings	71 413	96 406	–	–	–	–	50 585	50 585	146 992	154 110	317 786
Other Assets	71 413	96 406	–	–	–	–	50 585	50 585	146 992	154 110	319 286
Licences and Rights	88 561	92 485	–	–	–	–	(8 080)	(8 080)	84 405	175 046	184 930
Intangible Assets	88 561	92 485	–	–	–	–	(8 080)	(8 080)	84 405	175 046	184 930
Computer Equipment	163 670	163 773	–	–	–	–	100 965	100 965	264 739	51 849	58 324
Furniture and Office Equipment	19 707	20 682	–	–	–	–	14 976	14 976	35 658	15 609	15 702
Machinery and Equipment	110 671	144 030	–	–	–	–	43 491	43 491	187 520	71 283	59 268
Transport Assets	251 068	259 702	–	–	–	–	88 041	88 041	347 742	636 921	110 736
Land	116 834	224 145	–	–	–	–	(3 223)	(3 223)	220 923	50 000	104 345
Mature	–	–	–	–	–	–	–	–	–	–	–
Living Resources	–	–	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets to be adjusted	3 784 067	3 880 613	–	–	–	123 240	(184 238)	(60 998)	3 819 615	3 323 838	3 808 613
Roads Infrastructure	288 850	357 106	–	–	–	–	(98 931)	(98 931)	258 175	77 440	278 785
Storm water Infrastructure	11 102	12 694	–	–	–	–	(5 281)	(5 281)	7 413	48 065	59 287
Electrical Infrastructure	461 255	471 113	–	–	–	123 240	(123 890)	(650)	470 464	719 660	810 931
Water Supply Infrastructure	520 200	520 200	–	–	–	–	(82 271)	(82 271)	437 929	511 109	408 804
Sanitation Infrastructure	1 278 692	1 280 692	–	–	–	–	(72 017)	(72 017)	1 208 675	909 147	1 056 632
Solid Waste Infrastructure	1 266	2 172	–	–	–	–	(552)	(552)	1 620	33 800	83
Coastal Infrastructure	–	–	–	–	–	–	–	–	–	5 000	1 000
Information and Communication Infrastructure	41 920	41 925	–	–	–	–	39 513	39 513	81 437	4 269	60 933
Infrastructure	2 603 284	2 685 903	–	–	–	123 240	(343 430)	(220 190)	2 465 713	2 308 489	2 676 455
Community Facilities	91 468	94 407	–	–	–	–	(7 288)	(7 288)	87 118	71 664	67 252
Sport and Recreation Facilities	51 550	51 641	–	–	–	–	(7 754)	(7 754)	43 887	13 081	24 879
Community Assets	143 018	146 048	–	–	–	–	(15 043)	(15 043)	131 005	84 746	92 131
Operational Buildings	34 392	39 618	–	–	–	–	6 204	6 204	45 821	19 080	26 063
Other Assets	34 392	39 618	–	–	–	–	6 204	6 204	45 821	19 080	26 063
Licences and Rights	15 850	15 850	–	–	–	–	(2 500)	(2 500)	13 350	13 050	11 850
Intangible Assets	15 850	15 850	–	–	–	–	(2 500)	(2 500)	13 350	13 050	11 850
Computer Equipment	163 802	164 936	–	–	–	–	129 251	129 251	294 187	136 398	236 539
Furniture and Office Equipment	107 586	108 224	–	–	–	–	16 438	16 438	124 661	29 726	23 798
Machinery and Equipment	105 138	106 021	–	–	–	–	(4 793)	(4 793)	101 228	97 529	114 590
Transport Assets	610 352	613 368	–	–	–	–	29 636	29 636	643 004	634 820	626 236
Mature	645	645	–	–	–	–	–	–	645	–	950
Living Resources	645	645	–	–	–	–	–	–	645	–	950

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjsts.	Total Adjsts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands											
Total Upgrading of Existing Assets to be adjusted	3 608 091	3 813 539	–	–	–	10 400	(104 684)	(94 284)	3 719 255	3 837 144	4 596 492
Roads Infrastructure	139 888	145 249	–	–	–	–	(29 482)	(29 482)	115 767	162 185	205 230
Storm water Infrastructure	138 054	193 256	–	–	–	–	(25 320)	(25 320)	167 936	101 105	91 543
Electrical Infrastructure	218 174	259 281	–	–	–	10 400	(53 012)	(42 612)	216 670	351 945	102 280
Water Supply Infrastructure	23 700	23 700	–	–	–	–	3 686	3 686	27 386	33 243	37 381
Sanitation Infrastructure	1 588 194	1 621 194	–	–	–	–	(96 929)	(96 929)	1 524 264	1 926 793	2 242 399
Solid Waste Infrastructure	764	1 046	–	–	–	–	8 733	8 733	9 779	42 472	55 900
Coastal Infrastructure	215 416	225 117	–	–	–	–	(36 308)	(36 308)	188 809	114 105	–
Information and Communication Infrastructure	7 551	5 296	–	–	–	–	423	423	5 719	–	–
Infrastructure	2 331 742	2 474 139	–	–	–	10 400	(228 208)	(217 808)	2 256 331	2 731 848	2 734 733
Community Facilities	391 335	434 807	–	–	–	–	(68 456)	(68 456)	366 351	351 115	459 632
Sport and Recreation Facilities	70 490	76 597	–	–	–	–	5 686	5 686	82 283	83 509	191 764
Community Assets	461 825	511 405	–	–	–	–	(62 770)	(62 770)	448 634	434 624	651 395
Heritage Assets	–	–	–	–	–	–	231	231	231	–	–
Operational Buildings	461 742	473 858	–	–	–	–	67 106	67 106	540 964	493 088	567 889
Housing	328 648	328 686	–	–	–	–	117 103	117 103	445 789	155 220	64 232
Other Assets	790 390	802 544	–	–	–	–	184 210	184 210	986 754	648 308	632 121
Licences and Rights	15 045	16 254	–	–	–	–	(1 573)	(1 573)	14 681	18 364	563 743
Intangible Assets	15 045	16 254	–	–	–	–	(1 573)	(1 573)	14 681	18 364	563 743
Computer Equipment	–	–	–	–	–	–	–	–	–	–	1 000
Machinery and Equipment	9 089	9 197	–	–	–	–	1 457	1 457	10 654	3 500	13 000
Total Capital Expenditure to be adjusted	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261
Roads Infrastructure	2 991 627	3 161 505	–	–	–	–	(401 189)	(401 189)	2 760 316	2 560 177	1 874 955
Storm water Infrastructure	361 789	423 370	–	–	–	–	(34 274)	(34 274)	389 096	351 579	429 871
Electrical Infrastructure	987 489	1 045 427	–	–	–	133 640	(157 116)	(23 476)	1 021 950	1 387 665	1 385 499
Water Supply Infrastructure	1 457 855	1 502 344	–	–	–	267 281	(278 769)	(11 488)	1 490 855	2 419 837	1 925 724
Sanitation Infrastructure	3 363 401	3 418 763	–	–	–	–	(209 812)	(209 812)	3 208 951	3 382 257	3 696 246
Solid Waste Infrastructure	22 903	27 818	–	–	–	–	(2 978)	(2 978)	24 840	128 178	218 928
Coastal Infrastructure	215 416	225 117	–	–	–	–	(36 308)	(36 308)	188 809	119 105	1 000
Information and Communication Infrastructure	55 572	53 321	–	–	–	–	40 819	40 819	94 140	5 569	65 233
Infrastructure	9 456 052	9 857 665	–	–	–	400 921	(1 079 627)	(678 706)	9 178 958	10 354 367	9 597 458
Community Facilities	684 724	755 582	–	–	–	–	(28 115)	(28 115)	727 467	654 627	759 180
Sport and Recreation Facilities	122 690	128 888	–	–	–	–	(1 849)	(1 849)	127 040	97 590	216 642
Community Assets	807 413	884 470	–	–	–	–	(29 964)	(29 964)	854 506	752 217	975 823
Heritage Assets	–	–	–	–	–	–	231	231	231	–	–
Operational Buildings	567 547	609 882	–	–	–	–	123 895	123 895	733 777	666 278	911 737
Housing	328 648	328 686	–	–	–	–	117 103	117 103	445 789	155 220	65 732
Other Assets	896 195	938 568	–	–	–	–	240 999	240 999	1 179 567	821 497	977 470
Licences and Rights	119 456	124 590	–	–	–	–	(12 153)	(12 153)	112 437	206 460	760 523
Intangible Assets	119 456	124 590	–	–	–	–	(12 153)	(12 153)	112 437	206 460	760 523
Computer Equipment	327 472	328 710	–	–	–	–	230 216	230 216	558 926	188 247	295 862
Furniture and Office Equipment	127 293	128 906	–	–	–	–	32 134	32 134	161 040	45 334	39 500
Machinery and Equipment	224 898	259 248	–	–	–	–	40 154	40 154	299 402	172 312	186 858
Transport Assets	861 420	873 069	–	–	–	–	118 927	118 927	991 996	1 272 241	737 472
Land	116 834	224 145	–	–	–	–	(3 223)	(3 223)	220 923	50 000	104 345
Mature	645	645	–	–	–	–	–	–	645	–	950
Living Resources	645	645	–	–	–	–	–	–	645	–	950
TOTAL CAPITAL EXPENDITURE to be adjusted	12 937 678	13 620 016	–	–	–	400 921	(462 307)	(61 386)	13 558 630	13 862 676	13 676 261

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands											
ASSET REGISTER SUMMARY - PPE (WDV)	83 210 034	83 892 373	–	–	–	400 921	(2 622 491)	(2 221 570)	81 670 802	93 245 363	101 533 578
Roads Infrastructure	15 292 100	15 461 979	–	–	–	–	(1 778 554)	(1 778 554)	13 683 425	17 233 421	18 220 500
Storm water Infrastructure	1 990 133	2 051 714	–	–	–	–	(413 440)	(413 440)	1 638 274	2 246 142	2 557 724
Electrical Infrastructure	10 717 604	10 775 541	–	–	–	133 640	(246 964)	(113 324)	10 662 217	11 697 480	12 612 530
Water Supply Infrastructure	8 807 783	8 852 271	–	–	–	267 281	(1 031 014)	(763 733)	8 088 538	10 599 465	12 600 803
Sanitation Infrastructure	12 823 276	12 878 638	–	–	–	–	(2 673 391)	(2 673 391)	10 205 246	16 180 425	18 972 315
Solid Waste Infrastructure	815 146	820 061	–	–	–	–	466 680	466 680	1 286 740	856 853	1 002 196
Coastal Infrastructure	498 649	508 350	–	–	–	–	(105 356)	(105 356)	402 993	609 392	583 805
Information and Communication Infrastructure	9 247 356	9 245 105	–	–	–	–	3 046 604	3 046 604	12 291 709	9 153 002	9 149 237
Infrastructure	60 192 046	60 593 659	–	–	–	400 921	(2 735 436)	(2 334 515)	58 259 144	68 576 179	75 699 111
Community Assets	6 836 899	6 913 955	–	–	–	–	(178 581)	(178 581)	6 735 374	7 212 977	7 715 742
Heritage Assets	10 340	10 340	–	–	–	–	(16)	(16)	10 324	10 340	10 340
Investment properties	523 531	523 531	–	–	–	–	10 918	10 918	534 448	497 578	471 625
Other Assets	6 747 144	6 789 517	–	–	–	–	(164 051)	(164 051)	6 625 466	7 174 846	7 662 094
Intangible Assets	734 452	739 586	–	–	–	–	149 526	149 526	889 111	1 233 891	1 339 852
Computer Equipment	615 010	616 247	–	–	–	–	228 151	228 151	844 398	491 948	485 949
Furniture and Office Equipment	567 904	569 517	–	–	–	–	37 929	37 929	607 446	525 175	489 033
Machinery and Equipment	676 743	711 093	–	–	–	–	16 884	16 884	727 978	643 982	632 348
Transport Assets	4 643 275	4 654 924	–	–	–	–	103 219	103 219	4 758 143	5 165 756	5 209 498
Land	1 660 237	1 767 549	–	–	–	–	(90 336)	(90 336)	1 677 213	1 710 237	1 814 582
Living Resources	2 455	2 455	–	–	–	–	(698)	(698)	1 757	2 455	3 405
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	83 210 034	83 892 373	–	–	–	400 921	(2 622 491)	(2 221 570)	81 670 802	93 245 363	101 533 578
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	4 025 354	4 025 354	–	–	–	–	7 134	7 134	4 032 488	4 255 891	4 658 803
Repairs and Maintenance by asset class	6 885 827	6 885 884	–	–	–	–	16 608	16 608	6 902 492	7 368 525	7 595 895
Roads Infrastructure	929 994	929 994	–	–	–	–	(24 184)	(24 184)	905 810	981 144	1 034 126
Storm water Infrastructure	252 056	252 056	–	–	–	–	7 904	7 904	259 960	268 822	282 928
Electrical Infrastructure	1 001 093	1 001 093	–	–	–	–	(34 913)	(34 913)	966 179	1 016 138	1 070 162
Water Supply Infrastructure	778 239	778 239	–	–	–	–	(52 319)	(52 319)	725 921	854 059	877 458
Sanitation Infrastructure	854 396	854 396	–	–	–	–	(53 932)	(53 932)	800 464	922 417	957 780
Solid Waste Infrastructure	11 660	11 660	–	–	–	–	2 537	2 537	14 196	12 303	12 967
Coastal Infrastructure	4 711	4 711	–	–	–	–	5 553	5 553	10 264	4 711	4 711
Information and Communication Infrastructure	–	–	–	–	–	–	8	8	8	–	–
Infrastructure	3 832 149	3 832 149	–	–	–	–	(149 347)	(149 347)	3 682 802	4 059 593	4 240 132
Community Facilities	572 147	572 147	–	–	–	–	(15 609)	(15 609)	556 539	586 093	611 690
Sport and Recreation Facilities	161 504	161 504	–	–	–	–	25 973	25 973	187 477	168 771	176 229
Community Assets	733 651	733 651	–	–	–	–	10 365	10 365	744 016	754 864	787 919
Heritage Assets	376	376	–	–	–	–	(304)	(304)	72	376	376
Revenue Generating	14 089	14 089	–	–	–	–	(636)	(636)	13 453	14 715	15 370
Non-revenue Generating	12	12	–	–	–	–	44	44	56	13	13
Investment properties	14 101	14 101	–	–	–	–	(592)	(592)	13 508	14 728	15 384
Operational Buildings	613 653	613 653	–	–	–	–	(118 965)	(118 965)	494 688	696 655	680 844
Housing	86 360	86 360	–	–	–	–	(50 087)	(50 087)	36 273	89 310	94 229
Other Assets	700 013	700 013	–	–	–	–	(169 051)	(169 051)	530 962	785 964	775 073
Computer Equipment	421 253	421 253	–	–	–	–	46 505	46 505	467 758	439 335	467 128
Furniture and Office Equipment	268 911	268 911	–	–	–	–	176 834	176 834	445 745	346 024	293 019
Machinery and Equipment	412 982	412 982	–	–	–	–	70 643	70 643	483 625	438 736	460 531
Transport Assets	502 392	502 449	–	–	–	–	31 557	31 557	534 006	528 904	556 332
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	10 911 182	10 911 239	–	–	–	–	23 742	23 742	10 934 980	11 624 416	12 254 698
Renewal and upgrading of Existing Assets as % of total capex	57.14%	56.49%							55.60%	51.66%	61.46%
Renewal and upgrading of Existing Assets as % of deprecn"	183.64%	191.14%							186.95%	168.26%	180.41%
R&M as a % of PPE	8.28%	8.21%							8.45%	7.90%	7.48%
	17.16%	17.38%							17.68%	15.58%	15.76%
Renewal and upgrading and R&M as a % of PPE											

Table 21: MBRR Table B10 - Consolidated Basic service delivery measurement

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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	1 370 626	1 370 626	–	–	–	–	–	–	1 370 626	1 393 908	1 417 435
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	190 029	190 029	–	–	–	–	7 833	7 833	197 862	193 257	196 519
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	1 560 655	1 560 655	–	–	–	–	7 833	7 833	1 568 488	1 587 165	1 613 954
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	1 560 655	1 560 655	–	–	–	–	7 833	7 833	1 568 488	1 587 165	1 613 954
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1 449 781	1 449 781	–	–	–	–	–	–	1 449 781	1 473 063	1 496 590
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	–	–
Chemical toilet	73 680	73 680	–	–	–	–	–	–	73 680	73 680	73 680
Pit toilet (ventilated)	55	55	–	–	–	–	–	–	55	55	55
Other toilet provisions (> min.service level)	37 139	37 139	–	–	–	–	7 833	7 833	44 972	40 367	43 629
Minimum Service Level and Above sub-total	1 560 655	1 560 655	–	–	–	–	7 833	7 833	1 568 488	1 587 165	1 613 954
Bucket toilet	–	–	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	1 560 655	1 560 655	–	–	–	–	7 833	7 833	1 568 488	1 587 165	1 613 954
Energy:											
Electricity (at least min. service level)	614 192	614 192	–	–	–	–	–	–	614 192	615 692	617 192
Electricity - prepaid (> min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	614 192	614 192	–	–	–	–	–	–	614 192	615 692	617 192
Electricity (< min.service level)	19 828	19 828	–	–	–	–	–	–	19 828	18 328	16 828
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	19 828	19 828	–	–	–	–	–	–	19 828	18 328	16 828
Total number of households	634 020	634 020	–	–	–	–	–	–	634 020	634 020	634 020
Refuse:											
Removed at least once a week (min.service)	1 181 146	1 181 146	–	–	–	–	–	–	1 181 146	1 204 769	1 228 864
Minimum Service Level and Above sub-total	1 181 146	1 181 146	–	–	–	–	–	–	1 181 146	1 204 769	1 228 864
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	1 181 146	1 181 146	–	–	–	–	–	–	1 181 146	1 204 769	1 228 864

Table continues on next page.

City of Cape Town – 2025/26 Adjustments Budget – 29 January 2026

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	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)	235 214	235 214	–	–	–	–	11 040	11 040	246 254	235 214	235 214
Sanitation (free minimum level service)	233 782	233 782	–	–	–	–	10 958	10 958	244 740	233 782	233 782
Electricity/other energy (50kwh per household per month)	170 829	170 829	–	–	–	–	–	–	170 829	170 829	170 829
Refuse (removed at least once a week)	298 620	298 620	–	–	–	–	–	–	298 620	304 593	310 685
Informal Settlements	1 408 032	1 408 032	–	–	–	–	–	–	1 408 032	1 421 521	1 435 219
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per indigent household per month)	306 612	306 612	–	–	–	–	17 909	17 909	324 521	325 929	381 793
Sanitation (free sanitation service to indigent households)	156 418	156 418	–	–	–	–	5 337	5 337	161 754	166 272	194 771
Electricity/other energy (50kwh per indigent household per month)	165 663	165 663	–	–	–	–	–	–	165 663	175 935	183 891
Refuse (removed once a week for indigent households)	540 000	540 000	–	–	–	–	37 787	37 787	577 787	572 400	606 744
Cost of Free Basic Services provided - Informal Formal Settlements	1 548 918	1 548 918	–	–	–	–	(155 809)	(155 809)	1 393 109	1 603 091	1 709 377
Total cost of FBS provided	2 717 611	2 717 611	–	–	–	–	(94 777)	(94 777)	2 622 834	2 843 627	3 076 576
Highest level of free service provided											
Property rates (R'000 value threshold)	435	435	–	–	–	–	–	–	435	435	435
Water (kilolitres per household per month)	15	15	–	–	–	–	–	–	15	15	15
Sanitation (kilolitres per household per month)	11	11	–	–	–	–	–	–	11	11	11
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) (impermissible values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	2 431 920	2 431 920	–	–	–	–	–	–	2 431 920	2 655 268	2 900 055
Water (in excess of 6 kilolitres per indigent household per month)	429 327	429 327	–	–	–	–	(13 718)	(13 718)	415 608	441 792	517 515
households)	222 627	222 627	–	–	–	–	(2 872)	(2 872)	219 755	229 567	268 915
Electricity/other energy (in excess of 50 kwh per indigent household per month)	23 676	23 676	–	–	–	–	–	–	23 676	25 144	26 281
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	27 545	27 545	–	–	–	–	–	–	27 545	28 056	28 576
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	3 135 095	3 135 095	–	–	–	–	(16 590)	(16 590)	3 118 504	3 379 827	3 741 343

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

EXECUTIVE SUMMARY

Management prepared an adjustment budget on the basis that the events industry and business environment in which the company is currently operating has improved since the original budget was finalised.

The revenue achieved during the first quarter is higher than the original budget, which has resulted in it achieving a higher EBITDA. This trend is expected to continue through to the end of the year with events hosted delivering good yields, and an increase in EBITDA.

However, the trend that was experienced in the 2024/25 financial year where the CTICC hosted many of the G20 and related events, is not expected to continue post October 2025 as the final G20 event take place in Gauteng. This means that the substantial revenue and EBITDA increases experienced in the last financial year will not be repeated, mainly due to there not being any like for like event replacements. This is evident in the total international events forecast at 41 for the year, against the 63 hosted last year.

The key assumptions made in preparing the adjustment budget include the following:

- a. Revenue contracts confirmed and signed, sent to clients, and expected events have been included in the budget as well as a portion of “Blue Sky” that is forecast to materialise over the period. A total of 339 events are forecast to be held, including 41 international events.
- b. Food and beverage revenue is forecast to be lower than the original budget and last year, as the event numbers are lower as well as the mix of events, where the clients are requesting less food and beverage services to the attendees, who are then required to purchase their own. In this instance they go off-site during their breaks. The contract with the Artscape Theatre ends in February 2026, and there is no direct replacement budgeted.
- c. Cost of sales and contract labour are also decreasing for the reasons explained above, even when inflationary increases are accounted for.
- d. Accrual of the company and individual performance bonus for the budgeted staffing complement.
- e. Vacancies filled to continue to operate and deliver 5-star service standards.
- f. Increase in other staffing costs like staff transport, staff welfare, Workman’s Compensation Fund, and internships.
- g. A decrease in the electricity costs to budget due to the lower usage expected, but higher than last year due to the tariff increase.
- h. Reduction in insurance costs based on the lower risk factor of the company and an improvement in the insurance market when the cover was sourced.
- i. The lower maintenance costs for the year, older units and systems are replaced and due to the major works conducted in the previous year.
- j. Increases in tendered pricing have impacted on the cleaning and security costs.
- k. Increase in the external audit fee as the AGSA will perform a full audit this year.

- l. The increase in the internal audit costs and ad hoc services required by the company, as well as the new company secretarial services being at a higher tender rate.
- m. IT costs are higher as the exchange rate has declined, which impacts these costs considerably as well as new service and maintenance contracts entered.
- n. Higher travel and accommodation costs compared to last year, to attend exhibitions, conferences, and events internationally due to price increases, but lower than budget due to savings in the first quarter.

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 68 to page 74.

Table 22: MBRR Table E1 - Adjustments Budget Summary - CTICC

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
<u>Financial Performance</u>										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	18 873	18 873	–	–	–	2 671	2 671	21 544	20 524	22 423
Transfers recognised - operational	–	–	–	–	–	–	–	–	–	–
Other own revenue	442 321	442 321	–	–	–	4 742	4 742	447 064	469 372	498 352
Total Revenue (excluding capital transfers and contributions)	461 194	461 194	–	–	–	7 413	7 413	468 608	489 896	520 775
Employee costs	108 347	108 347	–	–	–	3 880	3 880	112 228	114 030	120 010
Remuneration of Board Members	911	911	–	–	–	(34)	(34)	877	952	995
Depreciation and debt impairment	51 370	51 370	–	–	–	(15 652)	(15 652)	35 718	52 670	53 671
Finance charges	–	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	67 423	67 423	–	–	–	(4 582)	(4 582)	62 841	71 516	75 835
Transfers and subsidies	2 969	2 969	–	–	–	7	7	2 977	2 969	2 969
Other expenditure	187 186	187 186	–	–	–	(5 761)	(5 761)	181 426	198 315	210 437
Total Expenditure	418 207	418 207	–	–	–	(22 141)	(22 141)	396 066	440 452	463 917
Surplus/(Deficit)	42 987	42 987	–	–	–	29 554	29 554	72 541	49 444	56 858
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	42 987	42 987	–	–	–	29 554	29 554	72 541	49 444	56 858
Income Tax	11 407	11 407	–	–	–	8 179	8 179	19 586	13 350	15 352
Surplus/ (Deficit) for the year	31 580	31 580	–	–	–	21 375	21 375	52 955	36 094	41 506
<u>Capital expenditure & funds sources</u>										
Capital expenditure	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594
Total sources of capital funds	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594
<u>Financial position</u>										
Total current assets	269 763	261 734	–	–	–	9 128	9 128	270 862	311 221	367 991
Total non current assets	900 551	908 580	–	–	–	59 745	59 745	968 325	970 123	961 037
Total current liabilities	102 568	102 568	–	–	–	10 907	10 907	113 475	119 621	125 533
Total non current liabilities	83	83	–	–	–	–	–	83	–	265
Community wealth/Equity	1 067 662	1 067 662	–	–	–	57 967	57 967	1 125 629	1 161 723	1 203 230
<u>Cash flows</u>										
Net cash from (used) operating	108 200	108 200	–	–	–	(224)	(224)	107 977	108 240	121 432
Net cash from (used) investing	(75 039)	(83 068)	–	–	–	–	–	(83 068)	(70 608)	(62 726)
Net cash from (used) financing	2 553	2 553	–	–	–	11 110	11 110	13 663	(3 397)	(3 669)
Cash/cash equivalents at the year end	248 244	240 215	–	–	–	10 887	10 887	251 102	285 337	340 373

Explanatory notes to MBRR Table E1 - Adjustments Budget Summary – CTICC

REVENUE

Total revenue is forecast higher than the original budget as the international events as well as trade fairs and exhibitions are expected to improve. However, it is forecast to be below last year due to the lower international events hosted, which included the G20 and other major once-off events. Revenue is forecast to be R468,6 million, up by 1.1% from the original budget of R442,0 million.

1. Rental from fixed assets

Venue rental has been forecast at R206 million, 4.0% above the original budget, but 8.0% below last year. This includes the actual results up to October 2025 and the forecast for the remaining eight months based on contracted events, contracts sent, events expected to be booked at short notice and a “blue sky” component. Although the forecast is higher than the original budget in the international events, trade fairs and exhibitions sectors, it is however forecast to be below last year due to the lower international event numbers, which included the G20, and other major once-off events hosted.

2. Operational revenue

Operational revenue, which includes food and beverage income, parking revenues and turnover rentals have been forecast at R215 million. This is 5.8% and 6.9% below the original budget and last year respectively, mainly due to the international and G20 events hosted last year, which does not repeat, exacerbated by clients not providing all attendees with food and beverage during the events, requesting the CTICC to provide risk catering services at these events. This means that the revenue earned is lower and requires additional staffing.

The actual and forecast revenue from the services provided at the Artscape Theatre is included until the contract ends in February 2026.

3. Sale of goods and rendering of services

This revenue category is forecast at R26 million, an increase of R1,2 million.

4. Interest earned – external investments

Interest received is forecast to be R21,5 million higher than the original budget of R18,9 million.

EXPENDITURE

1. Employee related costs

Total personnel costs have been forecast to be R112,2 million, an increase of R3,9 million, due to:

- a. Movements during the year in staff numbers and vacant posts recruited during last year now budgeted for a full 12 months, which results in an increase of 2.5% and 7.8% above the original budget and last year respectively, and forecast at R96,3 million.
- b. Training costs decreased by 22.1% to R2,5 million over last year as various training interventions done last year is not included this year, which included ABET training for more staff, AIPC Africa Academy, staff development training, coaching and Minimum Municipal Competency training.

- c. An increase in the bursary/study assistance program over last year by 35.3% to R1,3 million allowing for new applications to be added this year. The cost is the same as originally budgeted.
 - d. The overtime spend is forecast to decrease by 1.7% and 12.7% to the original budget and last year respectively, due to the lower event numbers and the end of the Artscape Theatre service.
 - e. The contribution to the Workmen's Compensation Fund increases by 21.7% to the original budget due to the higher payroll and the adjusted rate applied by the fund.
2. Inventory consumed
- The costs of food and beverage is forecast to decrease by R4,6 million, to R62,8 million as they relate directly to revenue generating activities. This is mainly due to the international and G20 events hosted last year, which does not repeat.
3. Contracted services
- Total costs relating to contracted services has been forecast to decrease to R83,7 million, as they relate directly to hosting events, which includes security, cleaning and waste removal. This is due to the international and G20 events hosted last year, which does not repeat.
4. Operational costs
- The costs are forecast to decrease to R97,7 million, as the company improves efficiencies and management of costs.

Table 23: MBRR Table E2 - Adjustments Budget - Financial Performance (revenue and expenditure) - CTICC

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
Exchange Revenue										
Service charges - Electricity	-	-	-	-	-	-	-	-	-	-
Service charges - Water	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	24 850	24 850	-	-	-	1 157	1 157	26 007	26 538	28 341
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	18 873	18 873	-	-	-	2 671	2 671	21 544	20 524	22 423
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	198 508	198 508	-	-	-	7 522	7 522	206 029	210 605	223 437
Licence and permits	-	-	-	-	-	-	-	-	-	-
Special rating levies	-	-	-	-	-	-	-	-	-	-
Operational Revenue	218 963	218 963	-	-	-	(3 936)	(3 936)	215 027	232 229	246 574
Non-Exchange Revenue	-	-	-	-	-	-	-	-	-	-
Property rates	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences or permits	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	461 194	461 194	-	-	-	7 413	7 413	468 608	489 896	520 775
Expenditure By Type	-	-	-	-	-	-	-	-	-	-
Employee related costs	108 347	108 347	-	-	-	3 880	3 880	112 228	114 030	120 010
Remuneration of Directors	911	911	-	-	-	(34)	(34)	877	952	995
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-
Inventory consumed	67 423	67 423	-	-	-	(4 582)	(4 582)	62 841	71 516	75 835
Debt impairment	180	180	-	-	-	(829)	(829)	(649)	180	180
Depreciation & asset impairment	51 190	51 190	-	-	-	(14 823)	(14 823)	36 367	52 490	53 491
Finance charges	-	-	-	-	-	-	-	-	-	-
Contracted services	85 370	85 370	-	-	-	(1 632)	(1 632)	83 738	89 585	94 008
Transfers and subsidies	2 969	2 969	-	-	-	7	7	2 977	2 969	2 969
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-	-
Operational costs	101 816	101 816	-	-	-	(4 145)	(4 145)	97 671	108 729	116 429
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	16	16	16	-	-
Total Expenditure	418 207	418 207	-	-	-	(22 141)	(22 141)	396 066	440 452	463 917
Surplus/(Deficit)	42 987	42 987	-	-	-	29 554	29 554	72 541	49 444	56 858
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	42 987	42 987	-	-	-	29 554	29 554	72 541	49 444	56 858
Income Tax	11 407	11 407	-	-	-	8 179	8 179	19 586	13 350	15 352
Surplus/(Deficit) after income tax	31 580	31 580	-	-	-	21 375	21 375	52 955	36 094	41 506
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	31 580	31 580	-	-	-	21 375	21 375	52 955	36 094	41 506
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	31 580	31 580	-	-	-	21 375	21 375	52 955	36 094	41 506

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

1. Net surplus before taxation for the 2025/26 adjustment budget is expected at R72,5 million, which is an improvement of R29,6 million on the original budget.

Table 24: MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding - CTICC

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
Capital expenditure by Asset Class/Sub-class										
Other assets	33 014	38 728	–	–	–	–	–	38 728	37 100	36 790
Operational Buildings	33 014	38 728	–	–	–	–	–	38 728	37 100	36 790
Municipal Offices	33 014	38 728	–	–	–	–	–	38 728	37 100	36 790
Computer Equipment	28 570	28 570	–	–	–	–	–	28 570	23 585	17 644
Computer Equipment	28 570	28 570	–	–	–	–	–	28 570	23 585	17 644
Furniture and Office Equipment	9 970	9 970	–	–	–	–	–	9 970	8 950	4 265
Furniture and Office Equipment	9 970	9 970	–	–	–	–	–	9 970	8 950	4 265
Machinery and Equipment	3 485	5 800	–	–	–	–	–	5 800	4 160	3 895
Machinery and Equipment	3 485	5 800	–	–	–	–	–	5 800	4 160	3 895
Total Capital Expenditure to be adjusted	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594
Funded by:										
National Government	–	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594
Total Capital Funding	75 039	83 068	–	–	–	–	–	83 068	73 795	62 594

Table 25: MBRR Table E4 Adjustments Budget - Financial Position - CTICC

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
ASSETS										
Current assets										
Cash and cash equivalents	248 244	240 215	–	–	–	10 887	10 887	251 102	285 337	340 373
Trade and other receivables from exchange transactions	–	–	–	–	–	–	–	–	–	–
Receivables from non-exchange transactions	15 551	15 551	–	–	–	(1 764)	(1 764)	13 787	19 726	21 325
Current portion of non-current receivables	2 969	2 969	–	–	–	7	7	2 977	2 969	2 969
Inventory	2 998	2 998	–	–	–	(1)	(1)	2 996	3 189	3 323
VAT	–	–	–	–	–	–	–	–	–	–
Other current assets	–	–	–	–	–	–	–	–	–	–
Total current assets	269 763	261 734	–	–	–	9 128	9 128	270 862	311 221	367 991
Non current assets										
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	581 687	589 716	–	–	–	102 195	102 195	691 911	710 029	719 264
Biological assets	–	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions	190 410	190 410	–	–	–	(73)	(73)	190 337	187 368	184 398
Other non-current assets	128 454	128 454	–	–	–	(42 378)	(42 378)	86 076	72 726	57 374
Total non current assets	900 551	908 580	–	–	–	59 745	59 745	968 325	970 123	961 037
TOTAL ASSETS	1 170 313	1 170 313	–	–	–	68 873	68 873	1 239 187	1 281 344	1 329 028
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Financial liabilities	–	–	–	–	–	–	–	–	–	–
Consumer deposits	47 342	47 342	–	–	–	(4 875)	(4 875)	42 467	45 864	49 534
Trade and other payables from non-exchange transactions	45 991	45 991	–	–	–	15 395	15 395	61 386	64 037	65 769
Provision	9 235	9 235	–	–	–	387	387	9 622	9 720	10 230
VAT	–	–	–	–	–	–	–	–	–	–
Other current liabilities	–	–	–	–	–	–	–	–	–	–
Total current liabilities	102 568	102 568	–	–	–	10 907	10 907	113 475	119 621	125 533
Non current liabilities										
Financial liabilities	–	–	–	–	–	–	–	–	–	–
Provision	83	83	–	–	–	–	–	83	–	265
Long term portion of trade payables	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	83	83	–	–	–	–	–	83	–	265
TOTAL LIABILITIES	102 651	102 651	–	–	–	10 907	10 907	113 558	119 621	125 798
NET ASSETS	1 067 662	1 067 662	–	–	–	57 967	57 967	1 125 629	1 161 723	1 203 230
COMMUNITY WEALTH/EQUITY										
Accumulated surplus/(deficit)	(260 765)	(260 765)	–	–	–	108 967	108 967	(151 799)	(115 705)	(74 198)
Reserves and funds	1 328 428	1 328 428	–	–	–	(51 000)	(51 000)	1 277 428	1 277 428	1 277 428
Other	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1 067 662	1 067 662	–	–	–	57 967	57 967	1 125 629	1 161 723	1 203 230

Table 26: MBRR Table E5 Adjustments Budget - Cash Flows - CTICC

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Other revenue	442 321	442 321	-	-	-	4 742	4 742	447 064	469 372	498 352
Transfers and Subsidies - Operational	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Capital	-	-	-	-	-	-	-	-	-	-
Interest	18 873	18 873	-	-	-	2 671	2 671	21 544	20 524	22 423
Dividends	-	-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees	(352 994)	(352 994)	-	-	-	(7 637)	(7 637)	(360 631)	(381 656)	(399 343)
Finance charges	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	108 200	108 200	-	-	-	(224)	(224)	107 977	108 240	121 432
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-
Payments										
Capital assets	(75 039)	(83 068)	-	-	-	-	-	(83 068)	(70 608)	(62 726)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(75 039)	(83 068)	-	-	-	-	-	(83 068)	(70 608)	(62 726)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	2 553	2 553	-	-	-	11 110	11 110	13 663	(3 397)	(3 669)
Payments										
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	2 553	2 553	-	-	-	11 110	11 110	13 663	(3 397)	(3 669)
NET INCREASE/ (DECREASE) IN CASH HELD	35 714	27 685	-	-	-	10 887	10 887	38 572	34 235	55 037
Cash/cash equivalents at the year begin:	212 530	212 530	-	-	-	-	-	212 530	251 102	285 337
Cash/cash equivalents at the year end:	248 244	240 215	-	-	-	10 887	10 887	251 102	285 337	340 373

PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM**EXECUTIVE SUMMARY**

As at the end of Q1 2025/26 the forecast indicates an adjustment to the approved budget for the 2025/26 financial year end without an overall compromise to the budget. Amendments have, however, been made within the revenue and expenditure categories.

The Cape Town Stadium's (CTS) primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 75 to page 79.

Table 27: MBRR Table E1 Adjustments Budget Summary - CTS

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
<u>Financial Performance</u>										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	44 500	44 500	–	–	–	–	–	44 500	44 500	44 500
Other own revenue	75 665	75 665	–	–	–	–	(3 500)	72 165	81 072	86 723
Total Revenue (excluding capital transfers and contributions)	120 165	120 165	–	–	–	–	(3 500)	116 665	125 572	131 223
Employee costs	4 500	4 500	–	–	–	–	–	4 500	4 703	4 914
Remuneration of Board Members	640	640	–	–	–	–	–	640	669	699
Depreciation and debt impairment	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	3 175	3 175	–	–	–	–	(2 510)	665	3 318	3 467
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	111 849	111 849	–	–	–	–	(990)	110 859	116 882	122 142
Total Expenditure	120 165	120 165	–	–	–	–	(3 500)	116 665	125 572	131 223
Surplus/(Deficit)	0	0	–	–	–	–	–	0	0	0
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	0	0	–	–	–	–	–	0	0	0
Income Tax	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	–	–	–	–	–	–	0	0	0
<u>Financial position</u>										
Total current assets	31 361	31 361	–	–	–	–	–	31 361	31 483	32 229
Total non current assets	–	–	–	–	–	–	–	–	–	–
Total current liabilities	38 275	38 275	–	–	–	–	–	38 275	38 396	39 142
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	(6 913)	(6 913)	–	–	–	–	–	(6 913)	(6 913)	(6 913)
<u>Cash flows</u>										
Net cash from (used) operating	2 509	2 509	–	–	–	–	–	2 509	162	165
Net cash from (used) investing	–	–	–	–	–	–	–	–	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	10 430	10 430	–	–	–	–	–	10 430	10 591	10 756

Table 28: MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTS

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
Exchange Revenue										
Service charges - Electricity	-	-	-	-	-	-	-	-	-	-
Service charges - Water	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	52 184	52 184	-	-	-	-	(4 000)	48 184	56 583	61 057
Licence and permits	-	-	-	-	-	-	-	-	-	-
Special rating levies	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-
Non-Exchange Revenue										
Property rates	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences or permits	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	44 500	44 500	-	-	-	-	-	44 500	44 500	44 500
Interest	1 000	1 000	-	-	-	-	-	1 000	1 045	1 092
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	22 481	22 481	-	-	-	-	500	22 981	23 444	24 574
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	120 165	120 165	-	-	-	-	(3 500)	116 665	125 572	131 223
Expenditure By Type										
Employee related costs	4 500	4 500	-	-	-	-	-	4 500	4 703	4 914
Remuneration of Directors	640	640	-	-	-	-	-	640	669	699
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-
Inventory consumed	3 175	3 175	-	-	-	-	(2 510)	665	3 318	3 467
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-
Contracted services	73 024	73 024	-	-	-	-	(1 043)	71 981	76 310	79 744
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-	-
Operational costs	38 825	38 825	-	-	-	-	53	38 878	40 572	42 398
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-	-	-	-
Total Expenditure	120 165	120 165	-	-	-	-	(3 500)	116 665	125 572	131 223
Surplus/(Deficit)	0	0	-	-	-	-	-	0	0	0
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	0	0	-	-	-	-	-	0	0	0
Income Tax	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	-	-	-	-	-	-	-	-	-

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

REVENUE

1. Rental of fixed assets

Rental of fixed assets reduced from R52,1 million to R48,1 million due to changes in the commercial business lounge hospitality from the original budget process.

2. Operational Revenue

The increase of R500 000 in the operational revenue category is mainly attributable to the increase in commercial turnover revenue.

EXPENDITURE

1. Inventory consumed

The R2,5 million decrease in the inventory consumed expenditure category is mainly attributable to the decrease in fuel usage due to the reduction in load-shedding.

2. Contracted services

The R1 million decrease in the contracted services expenditure category is mainly due to the reduction in the cleaning and utilities budget, as well as the re-allocation between the repairs and maintenance expenditure categories.

3. Other expenditure

The increase of R53 000 in the other expenditure category is due to the re-allocation between the contracted services and other expenditure cost categories.

Table 29: MBRR Table E4 Adjustments Budget - Financial Position - CTS

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
ASSETS										
Current assets										
Cash and cash equivalents	10 430	10 430	–	–	–	–	–	10 430	10 591	10 756
Trade and other receivables from exchange transactions	10 093	10 093	–	–	–	–	–	10 093	9 893	10 311
Receivables from non-ex change transactions	8 002	8 002	–	–	–	–	–	8 002	8 162	8 325
Current portion of non-current receivables	2 837	2 837	–	–	–	–	–	2 837	2 837	2 837
Inventory	–	–	–	–	–	–	–	–	–	–
VAT	–	–	–	–	–	–	–	–	–	–
Other current assets	–	–	–	–	–	–	–	–	–	–
Total current assets	31 361	31 361	–	–	–	–	–	31 361	31 483	32 229
Non current assets										
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-ex change transactions	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	–	–	–	–	–	–	–	–	–	–
TOTAL ASSETS	31 361	31 361	–	–	–	–	–	31 361	31 483	32 229
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Financial liabilities	–	–	–	–	–	–	–	–	–	–
Consumer deposits	–	–	–	–	–	–	–	–	–	–
Trade and other payables from exchange transactions	38 275	38 275	–	–	–	–	–	38 275	38 396	39 142
Trade and other payables from non-ex change transactions	–	–	–	–	–	–	–	–	–	–
Provision	–	–	–	–	–	–	–	–	–	–
VAT	–	–	–	–	–	–	–	–	–	–
Other current liabilities	–	–	–	–	–	–	–	–	–	–
Total current liabilities	38 275	38 275	–	–	–	–	–	38 275	38 396	39 142
Non current liabilities										
Financial liabilities	–	–	–	–	–	–	–	–	–	–
Provision	–	–	–	–	–	–	–	–	–	–
Long term portion of trade payables	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
TOTAL LIABILITIES	38 275	38 275	–	–	–	–	–	38 275	38 396	39 142
NET ASSETS	(6 913)	(6 913)	–	–	–	–	–	(6 913)	(6 913)	(6 913)
COMMUNITY WEALTH/EQUITY										
Accumulated surplus/(deficit)	(6 913)	(6 913)	–	–	–	–	–	(6 913)	(6 913)	(6 913)
Reserves and funds	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	(6 913)	(6 913)	–	–	–	–	–	(6 913)	(6 913)	(6 913)

Table 30: MBRR Table E5 Adjustments Budget - Cash Flows - CTS

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Other revenue	71 004	71 004	-	-	-	(3 500)	(3 500)	67 504	69 621	74 762
Government - operating	44 500	44 500	-	-	-	-	-	44 500	44 500	44 500
Government - capital	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees	(112 994)	(112 994)	-	-	-	3 500	3 500	(109 494)	(113 960)	(119 097)
Finance charges	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	2 509	2 509	-	-	-	-	-	2 509	162	165
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	2 509	2 509	-	-	-	-	-	2 509	162	165
Cash/cash equivalents at the year begin:	7 920	7 920						7 920	10 430	10 591
Cash/cash equivalents at the year end:	10 430	10 430						10 430	10 591	10 756

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, **Lungelo Mbandazayo**, municipal manager of the **City of Cape Town**, hereby certify that the 2025/26 adjustments budget (**January 2026**) 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 _____