CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE 41

APPLICATION TO AND APPROVAL FROM THE MEC OF THE WESTERN CAPE TO EXTEND THE DEADLINE FOR CONSIDERING THE APPROVAL OF THE 2026/27 ANNUAL BUDGET

2026/27 BUDGET (JUNE 2026)

SCHEDULE G

EXTENSIONS AND NON-COMPLIANCE WITH TIME PROVISIONS

APPLICATION FOR EXTENSION TO THE BUDGET PROCESS ***Note: The application must be submitted to the MEC for finance by no later than 15 March***	
Name of Municipality:	The Metropolitan Municipality of Cape Town.
1. State the relevant section of the Act and regulation for which extension is being applied.	
I have become aware of an impending non-compliance by the City of Cape Town with regards to the time limit contained in Section 24 (1) of the Municipal Finance Management Act 56 of 2003 as amended, and in accordance with my obligation in this regard under section 27 (1) of the said Act, I inform you of this impending non- compliance with section 24 (1) and apply to you for the extension of the time limit /deadline applicable to the approval of the City's 2026/27 budget by 30 days, to 30 June 2026 , on the basis as set out below.	
2. State the revised completion date the extension is required.	

Processes	*Legislated date*	*Number of days*	*Proposed Extension Date*
The municipal council considering the approval of the municipal budget at least 30 days before the start of the 2027 budget year in terms of section 24 (1) of	31 May 2026	30 days	30 June 2026

the MFMA			

3. State how the proposed extension will affect the remaining legislated process and how compliance will be achieved with other MFMA timelines

I do not foresee the proposed extension affecting the City's ability to comply with the remaining legislated processes in relation to the budget approval processes set out in the MFMA. Certain targeted amendments are being made to the said budget – specifically in relation to rates and tariff determinations requiring follow-on amendments to the total municipal account determinations. The amendments affect the income and expenditure components of the current tabled budget. The City is of the view that the amendments require further supplementary and targeted public participation and in order to ensure such a comment period is provided, the City does not anticipate being able to comply with the time period contained in section 24 (1). A failure to do so, and yet still make the amendments may well result in the Budget being challenged on the basis that there had not been any public participation process in relation to the amendments being effected. The City has planned this further process in a manner that will minimally impact on the budget process. Steps taken to meet the delay will also not impact on the finances, performance, governance and accountability arrangements in the City of Cape Town and no further steps are required to be taken in this regard and it is not anticipated that the extension of the relevant time limit will compromise the municipal council's ability to meet the deadline set in section 16(1) of the Act.

4. State the underlying reasons why an extension to a legislated timeframe is being requested. If the extension is requested for budget timeline extension, attach the municipalities approved time schedule including the dates that earlier processes have been undertaken.

The reason for the extension is to avoid the Budget 2026/2027 from being legally challenged on the same basis that the City's 2025/2026 Budget was challenged, notwithstanding that the City is in all probability likely to seek leave to appeal in respect of the Judgment and Orders that recently declared invalid certain components of the City's 2025/2026 Budget. Good governance requires that I do everything possible to ensure financial certainty for the City and its budget in the forthcoming 2026/2027 financial year and take all steps necessary to ensure that the City has a balanced budget and is in a position to meet all of its municipal obligations both to the residents of Cape Town and to its service providers. With this obligation in mind, out of an abundance of caution, and in snecessitate ad any further legal challenges that may disrupt the financial administration of the City, further amendments have been made to the tabled budget that necessitate a supplementary public participation, before the City can table a final budget for approval by 1 July 2026, in compliance with section 16 of the MFMA. The approved time schedule which includes dates that earlier processes had been undertaken is annexed hereto.

5. Detail the action plan that has been instituted to address the reasons for the legislated timeframe not being met.

Reasons for delay	*Action Plans to resolve*
Amendments effected to certain services charges and consequential amendments as a result of its impact on the total municipal account.	The City proposes to conduct a limited supplementary public participation process, relating only to the proposed amendments to the tabled budget in relation to the City's 2026/27 budget, prior to its approval by council; and to do so in a manner that does not impact on the City's ability to still comply with all other provisions of the MFMA, including section 16.

6. Detail what corrective action has been or will be put in place to prevent a recurrence in future years.

Reasons for delay	*Action Plans to resolve*
Amendments effected to certain services charges and consequential amendments as a result of its impact on the total municipal account.	It is not anticipated that this is an event in respect of which recurrence can or should be reasonably anticipated or that requires the City of Cape Town to take any particular steps to ensure compliance with the relevant time provision in future.

7. Has an application for an extension to a timeframe been made previously

Date of application	*State whether application approved or not approved*
No	There has been no non-compliances with time provisions by the City of Cape Town in the previous three financial years that I am aware of.

Declaration:

I, Geordin Hill-Lewis **hereby declare that: (*Name*)**

1. The information submitted above is, to the best of my knowledge, accurate.
2. A copy of this application will be tabled at the next meeting of the Municipal Council subsequent to the submission of this application.

SIGNED: **DATE:** 20/05/2026

Mayor

CONTACT DETAILS:

Mayor' Office Contact Details				
Name of contact person:		Fiona Stewart		
Telephone:	Code ( )	0826584847	Fax:	n/a
Email: Fiona.stewart@capetown.gov.za				
Municipal Manager Contact Details				
Name:		c/o Kevin Jacoby		
Telephone:	Code 021	400 3265	Fax:	n/a
Email: Kevin.Jacoby@Capetown.gov.za				
Municipality's Postal Address				
Private Bag X9181				
Cape Town				
Postal Code			**8000**	

ITEM NUMBER: SPC 06/06/25

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 17 JUNE 2025

MC 29/06/25 INTEGRATED DEVELOPMENT PLAN (IDP) AND BUDGET TIME-SCHEDULE FOR PERIOD: JULY 2025 - JUNE 2026 (LSU: Q3584)

It is **RECOMMENDED** that Council approve the IDP and Budget Time-Schedule for July 2025 to June 2026 as contained in Annexure A to the report on the agenda.

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

DATE: 17 APRIL 2025

REPORT TO: MAYCO & COUNCIL

NON-CONFIDENTIAL

1. ITEM NUMBER: MC 29/06/25

2. SUBJECT

INTEGRATED DEVELOPMENT PLAN (IDP) AND BUDGET TIME-SCHEDULE FOR PERIOD: JULY 2025 - JUNE 2026

ONDERWERP

GEÏNTEGREEDE ONTWIKKELINGSPLAN (GOP) EN BEGROTINGSTYDROOSTER VIR DIE TYDPERK: JULIE 2025 TOT JUNIE 2026

ISIHLOKO

ISICWANGCISO SOPHUHLISO ESIHLANGENEYO (IDP) NESHEDYULI YAMAXESHA OLWABIWOMALI: EYEKHALA 2025 UKUYA KWEYESILIMELA 2026

LSU Q3584

3. DELEGATED AUTHORITY

In terms of delegation

This report is for DECISION BY

☐ **Committee name** :

☑ The Executive Mayor together with the Mayoral Committee (MAYCO)

☑ Council

John Laing Smale

4. DISCUSSION

The IDP and Budget Time-schedule contains the key deliverables and processes to prepare, draft and approve the annual budget, as well as to review and amend the IDP.

Section 21 (1) (a) of the Local Government: Municipal Finance Management Act (MFMA) stipulates that "*the mayor must co-ordinate the process for preparing the annual budget and for reviewing the IDP in order to ensure that the tabled budget and any revisions to the IDP and budget related policies are mutually consistent and credible.*"

Section 21 (1) (b) of the MFMA states that the mayor must at least 10 months before the start of the budget year, table in council a time schedule, outlining key deadlines for –

(i) the preparation, tabling and approval of the annual budget;
(ii) the annual review of the IDP and budget related policies;
(iii) the tabling and adoption of any amendments to the IDP and budget-related policies; and
(iv) any consultative processes forming part of the processes referring to above (i), (ii) and (iii).

Annexure A reflects the deadlines set for the preparation of the 2026/2027 IDP review and amendment and budget that is due for Council approval in May/June 2026.

4.1 Financial Implications ☑ None ☐ Opex ☐ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no Additional funding requirements

4.2. Policy and Strategy ☑ Yes ☐ No

The IDP and Budget Time-Schedule reflects the planning of the IDP and Budget processes that will take place during the financial year in preparation for the IDP review and amendments and the budget.

4.3. Legislative Vetting ☐ Yes ☑ No

4.4. Legal Implications ☑ Yes ☐ No

The municipality is legally required to table the IDP and Budget Time-Schedule at least ten months before the start of the budget year

4.5. Staff Implications ☐ Yes ☑ No

4.6. Risk Implications ☑ Yes The risks for approving and/or not approving the recommendations are listed below:

- Not having an approved IDP and Budget Time-Schedule is an audit risk.
- Not having an approved IDP and Budget Time-Schedule is a governance risk.

☐ No Report is for decision and has no risk implications.

☐ No Report is for noting only and has no risk implications.

4.7. POPIA Compliance ☑ Yes It is confirmed that this report and the content of the annexures have been checked and considered for POPIA compliance.

4.8. Confidentiality Compliance ☑ Yes

It is confirmed that this report and the content of the annexures have been checked and considered for Confidentiality compliance.

5 RECOMMENDATIONS

Council approve the IDP and Budget Time-Schedule for July 2025 to June 2026 as contained in **Annexure A**.

AANBEVELINGS

Die Raad die GOP en begrotingstydrooster vir Julie 2025 tot Junie 2026 soos vervat in **bylae A**, goedkeur.

IZINDULULO

IBhunga maliphumeze i-IDP neShedyuli yaMaxesha oLwabiwomali yesithuba seyeKhala 2025 ukuya kweyeSilimela 2026 njengoko kuqulathiwe **kwisihlomelo A.**

ANNEXURES

ANNEXURE A: INTEGRATED DEVELOPMENT PLAN (IDP) AND BUDGET TIME-SCHEDULE: JULY 2025 JUNE 2026

FOR FURTHER DETAILS CONTACT

NAME	Hugh Cole	CONTACT NUMBER	021 400 5650
E-MAIL ADDRESS	Hugh.Cole@capetown.gov.za		
DIRECTORATE	Future Planning & Resilience	FILE REF NO	2/2/8
SIGNATURE : DIRECTOR	Hugh Cole Digitally signed by Hugh Cole Date: 2025.06.04 14:25:50 +02'00'		

EXECUTIVE DIRECTOR: FUTURE PLANNING & RESILIENCE

NAME	Gareth Morgan	COMMENT	
DATE			
SIGNATURE	Hugh Cole Digitally signed by Hugh Cole Date: 2025.06.04 14:26:08 +02'00' Acting ED FPR		

John Laing Smale

Making progress possible. Together.

77

THE ED'S SIGNATURE REPRESENTS SUPPORT FOR THE REPORT AND ANNEXURE CONTENTS AND CONFIRMS POPIA COMPLIANCE

CHIEF FINANCIAL OFFICER

NAME KEVIN JACOBY

COMMENT:

DATE

SIGNATURE

Digitally signed by Kevin Jacoby
Date: 2025.06.05 08:10:07 +02'00'

MAYORAL COMMITTEE MEMBER

NAME Executive Mayor: Geordin Hill-Lewis

COMMENT:

DATE 06/06/2025

SIGNATURE

LEGAL COMPLIANCE

☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION

☐ NON-COMPLIANT

NAME

COMMENT:

DATE

SIGNATURE

John Laing Smale
Digitally signed by John Laing Smale
Date: 2025.06.06 10:08:59 +02'00'

Certified as legally compliant based on the contents of the report.

ANNEXURE A

IDP AND BUDGET TIME-SCHEDULE 1 July 2025 - 30 June 2026
In preparation for the 2026/2027 IDP review and amendments and Budget.

Item No.	Time Frame	Deliverables	Coordinating Directorate/Body	Output	Legislative Requirement and Information
1	May-August 2025	IDP and Budget Time-schedule: Tabling of IDP and Budget time-schedule to Council for approval.	Future Planning and Resilience	Approved IDP and Budget time-schedule	Municipal Finance Management Act 56 of 2003 Section 21(1)
2	July 2025 ongoing	Budget process commences for the 2025/26 financial year: setting of budget agenda and timelines, citywide strategic guidance and organisational performance management to ensure alignment across processes.	Finance Directorate Future Planning and Resilience	Strategic direction and guidance at commencement of budget process	Municipal Finance Management Act 56 of 2003 Section 53 (1) (a) , (b) & (c)(ii)
3	By 25 August 2025	2025/2026 August Adjustments budget.	Finance Directorate	2025/2026 Adjustments budget	Municipal Finance Management Act 56 of 2003 Section 28 Municipal Budget and Reporting Regulations 23
4	July - August 2025	IDP Annual Review process commences.	Future Planning and Resilience	Annual IDP Review Five-year Corporate Scorecard, Circular 88 Scorecards and Entities' Scorecard	Section 34 (a) Municipal Systems Act 32 of 2000 Municipal Planning and Performance Management Regulations 9, 11 and 13 Section 93B (a) and (b), section 93C (iv) and (v) Municipal Systems Act 32 of 2000
5	Within ten working days after mayor has tabled an adjustment budget in the municipal council.	Publication of approved August 2025 adjustments budget on website. Submission to National- and Provincial Treasury in electronic format.	Finance Directorate	Approved August 2025 Adjustments Budget made public on official website and submission in electronic format to National - and Provincial Treasury	Municipal Finance Management Act 56 of 2003 Section 28(7) Municipal Budget and Reporting Regulations 24,26 & 27(2)(b)
6	July - October 2025	Annual review of the Organisational Performance Management System: 2025/2026 public participation process commences.	Future Planning and Resilience	Submissions from Portfolio Committees and Sub councils.	Municipal Systems Act 32 of 2000 Section 16 (1) (a) Municipal Systems Act 32 of 2000 Section 34 (a) (i)&(ii). Municipal Systems Act 32 of 2000 Section 40. Municipal Systems Act 32 of 2000 Section 41 (1) Municipal Systems Act 32 of 2000 Section 42. Municipal Planning and Performance Management Regulations 9, 11 and 13
7	August - October 2025	IDP 2026/2027 Amendment process commences.	Future Planning and Resilience	Processing in terms of Regulation 3	Municipal Systems Act 32 of 2000 Section 34 (b) Municipal Planning and Performance Management Regulations 3 & 11
8	August -November 2025	Input into the 2026/2027 Budget process (Subcouncils, Portfolio Committees, strategy sessions).	All Directorates Directorate: Corporate Services (Subcouncils)	Submissions from Portfolio Committees and Subcouncils.	Municipal Finance Management Act 56 of 2003 Section 21
9	August to December 2025	Present Medium Term Revenue Expenditure Framework (MTREF) parameters and assumptions to Budget Committees and other fora to prepare detailed Operating and Capital budgets	Finance Directorate	Presentations outlining MTREF parameters and assumptions.	Municipal Finance Management Act 56 of 2003 Section 21 & 53
10	January - February 2026	Municipal entities to align their budgets and business plans with City's IDP and submit their mid-year budget and performance assessment to the City	Future Planning and Resilience Municipal Entities	Aligned budget / 2025/26 Mid-year budget and performance assessment report	Municipal Finance Management Act Section 87 (2) and (3) Municipal Finance Management Act Section 88 Municipal Finance Management Act 56 of 2003 Section 72 (1)(iv)
11	25 January 2026	2025/2026 Mid-year Review and performance assessment (S72 report) and submission of such report to the Mayor and National- and Provincial Treasury in electronic format.	Finance Directorate Future Planning and Resilience	Submission of 2025/26 Mid-year budget and performance assessment report	Municipal Finance Management Act 56 of 2003 Section 72 Municipal Budget and Reporting Regulations 35
12	January - February 2026	2025/2026 Mid-year budget and performance assessment visits by National Treasury	Finance Directorate	National Treasury Assessment visits	National Treasury Circular requirements
13	Within 5 working days of 25th January of each year	Publication of 2025/26 Mid-year review and performance assessment (S72 report)	Finance Directorate	Publication of Mid-year budget and performance assessment	Municipal Finance Management Act 56 of 2003 Section 72 Municipal Budget and Reporting Regulations 34
14	By 31 January 2026	Submission of 2025/26 Mid-year review and performance assessment (S72 report) to Council.	Finance Directorate	Section 72 report to Council	Municipal Finance Management Act 56 of 2003 Section 54 (1)(f)
15	January-February 2026	Initiate process for IDP amendments relating to the 2025/2026 mid-year adjustments (Updating the MTREF annexure and Five-Year Corporate Scorecard, Circular 88 and Entities Scorecard)	Future Planning and Resilience	Initiate process for IDP amendments	Municipal Finance Management Act 56 of 2003 Section 54 (1) (c)
16	January 2026	2025/2026 Service Delivery and Budget Implementation Plan (SDBIPs) (One -Year Corporate, Circular 88, Entities, Directorate & Department) revision.	Future Planning and Resilience	2025/2026 IDP and SDBIPs (One-Year Corporate, Circular 88, Entities, Directorate & Departments)	Municipal Finance Management Act 56 of 2003 Section 28 & 54(1)(c) Municipal Budget and Reporting Regulations 24
17	By 28 February 2026	2025/26 adjustments budget following the mid-year review and performance assessment.	Finance Directorate	2025/26 Adjustment budget	Municipal Finance Management Act 56 of 2003 Section 28 Municipal Budget and Reporting Regulations 23

18	Within ten working days after mayor has tabled an adjustment budget in the municipal council.	Publication of approved adjustments budget on website. Submission to National- and Provincial Treasury in electronic format.	Finance Directorate	Approved Adjustment Budget being made available on official website and submission to National Treasury and Provincial Treasury.	Municipal Finance Management Act 56 of 2003 Section 28(7) Municipal Systems Act 32 of 2000 Section 21(b) Municipal Budget and Reporting Regulations 24,26 & 27(2)(b)
19	January-March 2026	Advertise the IDP amendments relating to the 2025/2026 mid-year adjustments (Updating the Financial Plan; Five-Year Corporate, Circular 88 Scorecard and Entities Scorecards) for comments.	Future Planning and Resilience	Advertise the IDP amendments relating to the 2025/2026 mid-year adjustments	Municipal Planning and Performance Management Regulations 3(4)(b) requires that the amendments to the IDP be published for public comment for a minimum of 21 days.
20	March - April 2026	Approval of the IDP amendments (flowing from the approved adjustment budget) to Council. (Relating to the 2025/2026 mid-year adjustments). Updating the Financial Plan, Five-year Corporate, Circular 88 Scorecards and Entities Scorecards).	Future Planning and Resilience	Approval of the IDP amendments relating to the 2025/2026 mid-year adjustments.	Municipal Systems Act 32 of 2000 Section 34 (b) Regulation 3
21	Within 10 working days after the Municipality approves the adoption or amendment of the IDP.	Submit approved 2025/2026 IDP amendments (flowing from the approved adjustment budget) to Council. (Relating to the 2025/2026 mid-year adjustments) to MEC Local Government within 10 days after Council approval	Future Planning and Resilience	Council resolution, MEC memo	Municipal Systems Act 32 of 2000 Section 32
22	January-March 2026	Tabling the review and proposed 2026/2027 amendments to the IDP (including Five-Year Corporate, Circular 88 Scorecard and Entities Scorecard) to Council.	Future Planning and Resilience	2026/2027 proposed IDP Amendments (including Five-Year Corporate, Circular 88 Scorecard and Entities Scorecards)	Municipal Planning and Performance Management Regulations 3(1), (2), (4)(a) and (b)
23	March 2026	Tabling of the draft 2026/2027 - 2028/2029 budget, and budget-related policies, IDP Draft Amendments incl. Five-year Corporate, Circular 88 and Entities Scorecards at Council.	Future Planning and Resilience Finance Directorate	Budget and 2026/2027 IDP proposed Amendments (including Five-Year Corporate, Circular 88 Scorecard and Entities Scorecards)	Municipal Finance Management Act 56 of 2003 Section 16(2); 17(1)(2)(3) and 21 (1)(b)(iii) Municipal Systems Act Regulation 3(4)(a-b)
24	Within 10 working days after the Municipality approves the annual budget	Submission of approved annual 2026/2027 budget to National- and Provincial Treasury in electronic format.	Finance Directorate	Submission of approved Budget and related documents including resolutions	Municipal Finance Management Act 56 of 2003 Section 24(3) Municipal Budget and Reporting Regulation 20
25	March 2026	Tabling the draft SDBIPs (One-Year Corporate Scorecard, Circular 88 (Output, Compliance), Entities and Directorate SDBIPs for 2026/2027 as part of the budget documentation tabled at Council.	Future Planning and Resilience	Draft Corporate, Municipal Entities SDBIPs and Directorate Executive Summaries	Municipal Budget and Reporting Regulations 14(2)
26	April - May 2026	National Treasury -Municipal Budget and Benchmark Engagement and LG MTEC / SIME Provincial Engagement	Finance Directorate	Budget and Benchmark Assessments / LG MTEC Provincial Assessment	Municipal Finance Management Act 56 of 2003 Section 22 National Treasury and Provincial Circular requirements
27	March - June 2026	Public Comment: a)Publication of annual tabled budget including IDP review and Draft 2026/2027 proposed amendments (including Five-Year Corporate, Circular 88 and Entities Scorecards) as an annexure to the budget. b)Public comment on the draft Budget, including the Proposed IDP Amendments 2026/2027 ((including Five-Year Corporate, Circular 88 (Outcomes, Output, Compliance) and Entities Scorecards))	Future Planning and Resilience Finance Directorate	Tabled Annual Budget incl. IDP Review and 2026/2027 Proposed Amendments (incl. Five-Year Corporate, Circular 88 and Entities Scorecards) available for viewing and comment.	Municipal Finance Management Act 56 of 2003 Section 22 Regulations issued in terms of the Local Municipal Systems Act, No. 32 of 2000 requires that the amendments to the IDP and tabled budget be published for public comment for a minimum of 21 days. Municipal Systems Act section 16(a) and 17
28	April 2026	Submission of tabled annual 2026/2027 budget ((including One-Year Corporate, Circular 88 (Output, Compliance), Entitiesand Directorate SDBIP's for 2026/2027)) to National- and Provincial Treasury in electronic format immediately after tabling at Council.	Future Planning and Resilience Finance Directorate	Tabled annual budget and SDBIPs submitted	Municipal Finance Management Act 56 of 2003 Section 22(b) Municipal Budget and Reporting Regulations 15(3) (b)
29	May / June 2026	Council to approve 2026/2027 Budget including the IDP Review and 2026/2027 Proposed Amendments ((including Five-Year Corporate, Circular 88 (Outcome, Output and Compliance) and Entities Scorecards)) by resolution, setting taxes and tariffs, approve measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year.	Future Planning and Resilience Finance Directorate	Approved IDP (including Five-year Corporate, Circular 88 and Entities Scorecards) and Budget for 2026/2027	Municipal Finance Management Act 56 of 2003 Section 24 Municipal Systems Act 32 of 2000 Section 25 (1) Municipal Planning By-Law (MPB-L) Section 6 Municipal Planning and Performance Management Regulations 3(1-4)
30	Within 10 working days after the Municipality approves the adoption or amendment of the IDP.	Submit approved IDP Review and 2026/2027 Amendments ((including Corporate, Circular 88 (Output, Compliance) and Entities Scorecards)) document to MEC Local Government within 10 days after Council approval	Future Planning and Resilience	Council resolution, MEC memo	Municipal Systems Act 32 of 2000 Section 32

80

31	Within 10 working days after the Municipality approves the annual budget	Submission of approved annual 2026/2027 budget to National- and Provincial Treasury in electronic format.	Finance Directorate	Submission of approved Budget and related documents including resolutions	Municipal Finance Management Act 56 of 2003 Section 24(3) Municipal Budget and Reporting Regulation 20
32	Within ten working days after the Municipality approved the annual budget	Publishing the approved annual 2026/2027 budget and IDP.	Finance Directorate	Publication of approved IDP and annual budget and related documents including resolutions	Municipal Finance Management Act 56 of 2003 Section 22 Municipal Budget and Reporting Regulations 18 Municipal Systems Act 32 of 2000 Sections 21 A and 21 B
33	After budget approval	Promulgation of rates and additional rates to be levied	Finance Directorate	Promulgation of rates and additional rates via Provincial Gazette	Municipal Property Rates Act 14(3)
34	After budget approval	Submit notice published in newspaper (advert) iro resolution passed at Council to MEC for Local Government	Finance Directorate	Submission of notice published in newspaper iro resolution passed by Council.	Municipal Systems Act 32 of 2000 Section 75A(4)
35	Within 14 days after budget approval -City Manager to Executive Mayor June / July 2026	SDBIP 2026/2027 City Manager submits draft 2026/2027 Corporate SDBIPs (One-year Corporate. Circular 88 scorecard) and Directorate SDBIPs (Directorate Executive Summaries and scorecards) to the Executive Mayor for consideration. 14 days after approval of the budget	Future Planning and Resilience	Corporate SDBIP Book. Directorate SDBIP's (Executive Summaries and scorecards). Department SDBIP's (Business Plans and scorecards)	Municipal Finance Management Act 56 of 2003 Section 69(3)(a)
36	June / July 2026	Executive Mayor approves 2026/2027 Corporate and Directorate SDBIPs within 28 days after approval of budget	Future Planning and Resilience	Final 2026/2027 SDBIP Book . Corporate SDBIP . Directorate Executive Summaries and SDBIP . Departments Business Plans and SDBIPs	Municipal Finance Management Act 56 of 2003 Section 53(1)(c)(ii)
37	June / July 2026	Publishing approved SDBIPs - Place all the 2026/2027 Corporate and Directorate SDBIPs on the website.	Future Planning and Resilience	Approved SDBIP being made available on official website	(MFMA, S22(a)(i); MFMA, S53(3)(a))
38	June / July 2026	Submit 2026/2027 Corporate and Directorate SDBIPs to National and Provincial Treasury and make public	Future Planning and Resilience	Approved SDBIP submission to National Treasury and Provincial Treasury. 10 days after the Executive Mayor has approved the SDBIP	(MFMA, S22(a)(i); MFMA, Municipal Budget and Reporting Regulations - Regulation 20(b))
39	July / August 2026	Advert - Public Notification of the 2026/2027 Service Delivery and Budget Implementation Plan (SDBIP)	Future Planning and Resilience	Approved SDBIP being advertised in all local community newspapers and made available to the public at all civic centres, libraries and sub councils 14 days after the Executive Mayor has approved the SDBIP	Local Government: Municipal Finance Management Act (MFMA). Act No. 56 of 2003. Section 53 (3) (a)

Five-year plan	2022 - 2027	1 July 2022 – 30 June 2027
1st Review and Amendment	2023/24	1 July 2023 -30 June 2024
2nd Review and Amendment	2024/25	1 July 2024 – 30 June 2025
3rd Review and Amendment	2025/26	1 July 2025 – 30 June 2026
4th Review and Amendment	**2026/27**	**1 July 2026 – 30 June 2027**

Ministry of Finance
Deidré Baartman | Provincial Minister
Deidre.Baartman@westerncape.gov.za | Tel: 021 483 4700

Reference number: PTR 13/5/1 (2026/27)
Enquiries: Keith Roman

Geordin Hill-Lewis
The Executive Mayor
City of Cape Town
Private Bag X9181
CAPE TOWN
8000

Per email: fiona.stewart@capetown.gov.za / sarietha.engelbrecht@capetown.gov.za

Dear Mayor Hill-Lewis

RE: APPLICATION IN TERMS OF SECTION 27 OF THE MUNICIPAL FINANCE MANAGEMENT ACT, ACT 56 OF 2003 (MFMA) AND SCHEDULE G OF THE MUNICIPAL BUDGET AND REPORTING REGULATIONS, 2008 (MBRR) TO EXTEND THE DEADLINE FOR CONSIDERING THE APPROVAL OF THE 2026/27 ANNUAL BUDGET

1. Your correspondence dated 20 May 2026, requesting an extension of the legislative deadline in terms of section 27(2) of the MFMA, to commence with the consideration of the City of Cape Town's ("the City") 2026/27 annual budget for approval at least 30 days before the commencement of the financial year, refers.

2. The city has indicated that additional time is required to facilitate supplementary and targeted public participation on proposed amendments to the tabled budget, with a view to ensuring adequate stakeholder consultation and transparency in the budget finalisation process. The reason for the extension is to avoid the 2026/27 Budget from being legally challenged on the same basis that the City's 2025/26 Budget was challenged.

3. In considering the Municipality's request, cognisance has been taken of the provisions of the MFMA (section 27(2), which empowers the MEC for Finance, upon application by the Mayor and on good cause shown, to extend certain prescribed timeframes relating to the municipal budget process, provided that such extension does not compromise compliance with section 16(1) of the Act. The MFMA further requires that any such extension be carried out within the prescribed legislative framework and that the National Treasury be informed, in writing, of the extension granted and the reasons therefor.

4. I hereby take note of the City's motivation that the requested extension is intended to strengthen the quality and inclusiveness of public participation relating to the proposed amendments to the budget. In addition, I acknowledge the importance of meaningful public engagement and transparent consultation processes in supporting credible, responsive and legally compliant municipal budgeting.

5. While adherence to the statutory timelines prescribed by the MFMA remains of fundamental importance to sound financial governance, I am satisfied that, in the present circumstances, the City has advanced reasonable grounds in support of the requested extension, in order to afford affected stakeholders a further opportunity to consider and comment on the proposed amendments before the final adoption of the budget. ***I hereby grant the City an extension of the legislated deadline in terms of section 24(1) of the MFMA up to 30 June 2026, in my capacity as MEC for Finance: Western Cape.***

6. Notwithstanding the above, the city is strongly encouraged to take all reasonable steps to consider and approve the annual budget at the earliest possible opportunity. This is to ensure that, should the budget not be approved at such Council meeting, the City would still have sufficient time to follow the provisions of section 25(1) of the MFMA prior to 30 June 2026 extension deadline. The outcome of the Council meeting(s) at which the budget is considered for approval should be communicated to my office without delay.

7. You are reminded that should the City fail to approve the annual budget by 30 June 2026, you are required to comply with section 55 of the MFMA by 1 July 2026 as per section 25(3) of the MFMA. Furthermore, the Provincial Executive *must* intervene in terms of section 139(4) of the Constitution if the 2026/27 Budget is not approved by 30 June 2026. National Treasury has also indicated that should the budget not be adopted before the start of the financial year, the City will become ineligible for the incentive component of the Metro Trading Services Reform Programme.

8. Should you require any further clarification or assistance, please do not hesitate to contact my office.

Yours faithfully,

DEIDRÉ BAARTMAN
MEC FOR FINANCE
DATE: 25 May 2026

CC. Mr. A Bredell: MEC for Local Government, Environmental Affairs and Planning - Western Cape Government

Ms. J Gantana: Provincial Treasury (Head of Department)

Mr. G Paulse: Local Government (Head of Department)

Mr. J Hattingh: National Treasury (Chief Director: LG Budget Analysis)