



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE B

CHANGES INCORPORATED INTO THE BUDGET POST TABLING IN MARCH 2026

2026/27 BUDGET (JUNE 2026)

CHANGES INCORPORATED INTO THE BUDGET POST TABLING IN MARCH 2026

BACKGROUND

Following the tabling of the City's 2026/27 Draft Budget by the Executive Mayor at the Council meeting in March 2026, portfolio committees considered the budget details of the functions within their respective portfolios. In addition, proposals for amendments resulting from the latest Provincial Gazette Extraordinary 9206, dated 12 March 2026, as well as from line functions and other fora to amend the tabled budget were received.

Annexure A to the report reflects the portfolio committees' input received in the form of budget proposals of which certain appropriations were incorporated based on affordability into the 2026/27 Budget for adoption at the Council meeting to be held on 29 June 2026.

Final decision on these proposals was made after engagement with the Executive Mayor.

CAPITAL BUDGET

A. OUTCOME OF THE RELEVANT PORTFOLIO COMMITTEE MEETINGS

The outcome of the relevant Portfolio Committees (PC) meetings was as follows:

1. The following directorates considered and subsequently supported/endorsed/noted the Tabled 2026/27-2028/29 Capital Budget:
 - Finance;
 - Office of the City Manager; and
 - Safety and Security.
2. Community Services & Health directorate proposed an increase of R361 000 in 2026/27 with a corresponding decrease in 2027/28 on the following projects:
 - National Core Standards - North FY27 reduces by R443 000 in 2026/27, and funds reprioritised to Hout Bay Clinic Upgrades to fund the additional cost to complete the project.
 - Khayelitsha Environment Health Office Upgrade reduces by R3 million in 2026/27 with a corresponding increase in 2027/28 as the building plans are not approved yet and therefore no upgrades can continue in 2026/27. Therefore, the project is being rephased from 2026/27 to 2027/28.
 - Hout Bay Clinic Upgrades increases by R3,8 million in 2026/27 and decreases by R3,3 million in 2027/28 due to the building plans being approved earlier than anticipated. The upgrades can now be completed in 2026/27, at an increased cost of R3,8 million. Therefore, fund can be brought forward from 2027/28 to 2026/27 and increase by R443 000. The increase in cost will be reprioritised from National Core Standards - North FY27.

3. Corporate Services directorate proposed an increase of R23,2 million in 2026/27 with a corresponding decrease in 2027/28 on the following projects and programmes:
 - Facilities Upgrade: Bellville Theatre project increased by R22,9 million in 2026/27 with a corresponding decrease in 2027/28, due to relevant term tenders that have been identified, enabling procurement to be facilitated earlier than initially planned. This has allowed the project to be brought forward to achieve earlier completion and realise associated benefits sooner.
 - Computer Equipment, Office Equipment and Furniture has been reprioritised from 2027/28 to 2026/27 for Computer Equipment to accommodate the earlier-than-anticipated onboarding of contract staff within the Project Management Office. This has resulted in a decrease of R306 193 in 2027/28 with a corresponding increase in 2026/27.
4. Energy directorate increased by R15,6 million in 2026/27, mainly due to the following projects:
 - Electrification Area N FY27 (R2 million) and Electrification Area E FY27 (R2 million) programmes, where additional funding is required for professional services to fast-track design work for project implementation to commence in the 2027/28 financial year.
 - System Equipment Replacement: East Helderberg E FY27 (R11,6 million), where additional funds are required to accommodate a critical medium voltage network project.
5. Future Planning and Resilience directorate proposed an increase of R3 million in 2026/27 on the Data Science Infrastructure FY27 project, for the acquisition of additional server infrastructure to support Data Science and AI workloads due to the significant and sustained increase in AI-driven workloads, which are directly dependent on computer server capacity. The existing server infrastructure has reached its operational limits, resulting in capacity constraints and performance degradation that pose a risk to service delivery.
6. Human Settlements directorate proposed the transfer of the Vehicles: Additional FY29 project within the Informal Settlements department to the Support Services department with a zero impact, to centralise the procurement of vehicles.
7. Spatial Planning & Environment directorate proposed a decrease of R8 million in 2026/27 with a corresponding increase in 2028/29 on the following projects:
 - Computer Equipment: Replacement FY27 (R1 million), where additional funding is required in 2026/27 to replace the existing laptops with high-end specifications for Development Application Management System (DAMS) users, enabling more efficient operations.
 - E-Systems Enhancements ARC GIS upgrade project decreases with R9 million in 2026/27 and is rephased to a newly created replacement project, E-Systems Enhancements SAP4HANA 1, (R9 million) in 2028/29, to align with the revised CAR programme schedule.

8. Urban Mobility directorate proposed a decrease of R21 million in 2026/27, an increase of R26,6 million in 2027/28 and a decrease of R74,5 million in 2028/29 on the following projects:

Project Description	Difference 2026/27	Difference 2027/28	Difference 2028/29	Fund Source Desc	Reason
MyCiti Buses: Additional FY27	-53,845,039	0	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
Transport Facilities Upgrades	0	-8,000,000	-8,000,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A:AFC-Infrastructure&Equipment	-2,076,610	0	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
MyCiti Buses: Refurbishment	30,000,000	10,000,000	10,000,000	4 NT PTNG	Additional budget required to refurbish aging IRT Phase 1 bus fleet
Transport Facilities Upgrades FY27	-8,000,000	0	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A:APTMS-Consultants	0	0	-2,000,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A:APTMS-Infrastructure&Equipment	0	0	2,000,000	4 NT PTNG	Additional funding required to procure Advanced Public Transport Management System (APTMS) infrastructure and Equipment.
Public Transp Syst Man:Equipment	-5,000,000	-1,000,000	-3,000,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
Public Transp Syst Man:Installation FY27	-800,000	0	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
PT Signage	-300,000	-300,000	-300,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A:Trunk-E2-M9 Dnfrnt Rwy-Intskzi	0	-8,598,166	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A: Nolungile PTI Precinct	0	0	-10,366,230	4 Private - Orio	Changing of funding Public Transport Network Grant due to Orio funding expiring in 2027/28.
NMT upgrades: Kommetjie and Hout Bay	2,000,000	0	0	4 NT PTNG	Additional budget required to complete conceptual design stage.
NMT upgrades: Sea Point and CBD	2,000,000	0	0	4 NT PTNG	Additional budget required to complete conceptual design stage.
IRT Phase 2A: East	0	0	9,530,017	4 NT PTNG	Additional budget required based on latest professional service provider fee proposal
Formalisation of PT Facilities	0	-100,000	-100,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A: Nolungile PTI Precinct	0	0	10,366,230	4 NT PTNG	Additional funding required due to Orio grant funding expiring in the 2027/28 financial year
Congestion Relief - Erica Drive	1,140,828	52,032,375	-10,238,446	3 CRR: CongestRelief	Additional funding required based on latest construction programme cashflow projections
Nonkqubela PTI	0	0	200,000	4 NT PTNG	Additional budget required for project close-out
NMT Impr: Area-wide Khayelitsha	-2,014,148	0	0	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Phase 2A: Stations	0	0	-500,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Ph2A: Station Const: Wynbg-Khaya	0	0	-8,930,017	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
MyCiti Ph1 IRT Station Rebuilds	500,000	0	0	4 NT PTNG	Additional budget required for project close-out
IRT Ph2A: Station Const: Kenil-Khaya	0	0	6,389,180	4 NT PTNG	Additional funding required based on latest construction programme cashflow projections
Legacy Shelter Replacement	-1,500,000	0	-10,000,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
IRT Formalising Bus Stops	3,550,758	0	0	4 NT PTNG	Additional budget required for the delivery of final batch of formalised busstops, not delivered during FY2025/26 due to contractor capacity constraints.
Rehabilitation of N2 Edge	7,000,000	-7,000,000	0	1 EFF: 2	Budget brought forward from the 2027/28 financial year.
IRT Ph2A: Nyanga PTI Precinct	0	0	-16,755,410	4 NT PTNG	Reduced funding required based on latest construction programme cashflow projections
Road Upgr: Voortrekker Rd:SaltRd-C-JakGrDr	6,360,600	-10,459,801	-38,835,556	3 CRR: CongestRelief	Budget aligned to the latest construction programme cashflow projections
PTSM: Transport Intelligence Project	0	0	-4,000,000	4 NT PTNG	Budget aligned to latest Public Transport Network Grant allocations.
	(20,983,611)	26,574,408	(74,540,232)		

9. Urban Waste Management proposed changes by means of substitution and reprioritisation due to the change of funding source from EFF and CRR to CGD, as UDFG grant allocations (new grant as part of the Metro Trading Services Reform process by NT) were revised, as well as changes due to revised implementation plans on the following projects:

Project Description	Difference 2026/27	Difference 2027/28	Difference 2028/29	Fund Source Desc
Vehicles: Replacement FY27	-65,829,000	0	0	1 EFF: 2
Vehicles: Replacement FY29	0	0	-130,000,000	1 EFF
Vehicles: Replacement FY27	1,379,000	0	0	3 CRR: Solid Waste
Vehicles: Replacement FY29	0	0	-51,965,900	3 CRR: Solid Waste
Plant: Replacement FY27	61,200,000	0	0	1 EFF: 2
Furniture: Replacement - Tariff FY28	0	775,000	0	1 EFF: 2
Vehicles: Replacement FY28	0	-139,981,000	0	1 EFF: 2
Furniture: Replacement - Tariff FY28	0	-275,000	0	1 EFF
Furniture: Replacement - Tariff FY29	0	0	500,000	1 EFF
Vehicles: Replacement FY28	0	138,881,000	0	4 NT UDFG
Vehicles: Replacement FY29	0	0	180,865,900	4 NT UDFG
Furniture: Replacement - Tariff FY27	500,000	0	0	1 EFF: 2
Mechanical Equipment: Replacement FY27	2,150,000	0	0	1 EFF: 2
Office Equipment: Replacem - Tariff FY29	0	0	300,000	1 EFF
Office Equipment: Replacem - Tariff FY28	0	300,000	0	1 EFF
Office Equipment: Replacem - Tariff FY27	300,000	0	0	1 EFF: 2
Office Equipment: Replacement FY29	0	0	300,000	1 EFF
Office Equipment: Replacement FY28	0	300,000	0	1 EFF
Office Equipment: Replacement FY27	300,000	0	0	1 EFF: 2
Total	-	-	-	

10. Water and Sanitation directorate proposed changes by means of substitution and reprioritisation due to the change of funding source from EFF and CRR to CGD, as UDFG grant allocations were revised, as well as changes due to revised implementation plans on the following projects:

Project Description	Difference 2026/27	Difference 2027/28	Difference 2028/29	Major Fund	Fund Source Description
Atlantis Aquifer	8,237,729	0	0	EFF	1 EFF
Borcherds Quarry Office Containers	3,000,000	0	0	EFF	1 EFF
Bulk Water Infra Replace Central	-7,100,000	-10,200,000	-10,500,000	EFF	1 EFF
Bulk Water Infra Replace East	400,000	5,250,000	3,000,000	EFF	1 EFF
Bulk Water Infra Replace North	3,800,000	5,250,000	3,000,000	EFF	1 EFF
Bulk Water Infra Replace South	2,900,000	-300,000	4,500,000	EFF	1 EFF
BW Additional Infrastructure Centrl	1,750,000	-2,250,000	0	EFF	1 EFF
BW Additional Infrastructure East	-2,250,000	0	0	EFF	1 EFF
BW Additional Infrastructure North	2,750,000	2,250,000	0	EFF	1 EFF
BW Additional Infrastructure South	-2,250,000	0	0	EFF	1 EFF
BW Treatment Routine Refurb Central	0	-17,100,000	-12,500,000	EFF	1 EFF
BW Treatment Routine Refurb East	0	22,900,000	17,500,000	EFF	1 EFF
BW Treatment Routine Refurb North	0	3,300,000	2,500,000	EFF	1 EFF
BW Treatment Routine Refurb South	0	-9,100,000	-7,500,000	EFF	1 EFF
Cape Flats Aquifer: Strandfontein West	-1,500,000	0	0	EFF	1 EFF
Cape Flats Rehabilitation	13,400,000	16,399,997	0	CGD	4 NT UDFG
Cape Flats Rehabilitation	12,612,899	-18,299,359	0	EFF	1 EFF
Depot: Athlone WDM Offices Upgrade	-3,000,000	0	0	EFF	1 EFF
Depot: Blomtuin Retic Upgrade	1,132,484	0	0	EFF	1 EFF
Depot: Kilarney EAM Mechanical WS Upgr	-1,400,000	0	0	EFF	1 EFF
Depot: Sacks Circle Upgrade	1,239,646	0	0	EFF	1 EFF
Depot: Safety & Security Base Upgrade	3,627,870	0	-4,000,000	EFF	1 EFF
Depot: Scottsdene WWTP Upgrade	-6,000,000	0	4,000,000	EFF	1 EFF
Desalination Location 1	-8,237,729	0	0	EFF	1 EFF
Gordon's Bay Sewer Rising Main	4,955,524	0	0	EFF	1 EFF
Langa Pump Station (9) - screens, pumps	-13,400,000	-16,399,997	0	CGD	4 NT UDFG
Newlands Depot Upgrade	500,000	0	0	EFF	1 EFF
Philippi Collect Sewer Ph2	900,000	0	0	EFF	1 EFF
Phoenix Sewer Pump Station Upgrade	-18,299,359	18,299,359	0	EFF	1 EFF
RietMei Pump Station and Rising Main	442,572	0	0	EFF	1 EFF
Sewer Projects as per Master Plan FY 27	-1,720,000	0	0	EFF	1 EFF
Sewer Pump Station Refurb - Central	0	-14,595,910	-20,569,660	CGD	4 NT UDFG
Sewer Pump Station Refurb - Central	0	14,595,910	20,569,660	EFF	1 EFF: 2
Sewer Pump Station Refurb - East	0	-21,100,000	-32,500,000	CGD	4 NT UDFG
Sewer Pump Station Refurb - East	0	21,100,000	32,500,000	EFF	1 EFF: 2
Sewer Pump Station Refurb - North	0	-21,100,000	-32,500,000	CGD	4 NT UDFG
Sewer Pump Station Refurb - North	0	21,100,000	32,500,000	EFF	1 EFF: 2
Sewer Pump Station Refurb - South	0	21,100,000	32,500,000	EFF	1 EFF: 2
Sewer Pump Station Refurb - South	0	-21,100,000	-32,500,000	CGD	4 NT UDFG
Simonstown Main Water Supply Upgrade	1,900,067	0	0	EFF	1 EFF
Treated Effluent Re-Use: Belville NW1	0	0	-884,251	EFF	1 EFF
Treated Effluent Re-Use: Cape Flats PS	500,000	0	0	EFF	1 EFF
Treated Effluent Re-Use: Kuilsriver	-800,000	-6,000,000	0	EFF	1 EFF
Treated Effluent Re-Use: Scottsdene PH1	-3,000,000	0	0	EFF	1 EFF
Treated Effluent Re-Use: Zandvliet PS	3,000,000	0	0	EFF	1 EFF
Treated Effluent Re-Use:WildevoeMei PS	-3,700,000	0	0	EFF	1 EFF
Treated Effluent: Refurb& PipeLinks	4,000,000	6,000,000	884,251	EFF	1 EFF
Upgrade water supply system Hout Bay	338,297	0	0	EFF	1 EFF
Witzands Pump Station Upgrade	270,000	0	0	EFF	1 EFF
Zandvliet/Faure Plant Re-use (70ML)	1,000,000	0	0	EFF	1 EFF
Total	-	-	-		

B. AMENDMENTS STEMMING FROM THE LATEST PROVINCIAL GAZETTE EXTRAORDINARY 9206 DATED 12 MARCH 2026

1. Community Services and Health directorate:
 - Library: Metro Grant:
 - Specialised IT Equipment: Add FY28 decrease by R224 000 in 2027/28; and
 - Library Upgrades and Extensions FY29 decrease by R1 590 000 in 2028/29.
2. Safety & Security directorate:
 - Western Cape Government (WCG): School Resource Officers Grant:
 - Vehicles: School Resource Officers FY27: increase by R2,4 million in 2026/27.

C. OTHER AMENDMENTS

1. Ward Allocations: Subcouncil supported resolution resulting in the re-prioritisation of budgetary provision via substitution from Community Services & Health directorate to Urban Mobility, as well as a reduction of R70 000 on the capital budget with a corresponding increase on the operating budget on the following projects:

Directorate	Project Title	Tabled Budget 2026/27	Proposed Budget 2026/27	Increase/ Decrease	Motivation
Community Services & Health	Echium Park - Fencing	250 000	-	-250 000	Funding no longer required as the fencing work was fully completed during Phase 1 after an amended quotation was obtained for a lower-security type of fence, which included both the fencing and the gate. Supported by the subcouncil.
Community Services & Health	Echium Park - Extra Large Trees	-	150 000	150 000	Funding required for the planting of extra-large trees inside the fence between the two pedestrian gates facing the traffic circle at Echium Park. Supported by the subcouncil.
Urban Mobility	Echium Road - Carriageway Crossing	-	30 000	30 000	Funding required for the installation of a carriageway crossing along the Echium Park frontage in Echium Road, Parklands. Works include confirming the optimal crossing location and undertaking associated kerb and drainage adjustments. Supported by the subcouncil.
Total				-70 000	

2. Community Services and Health directorate proposed an increase of R9,6 million in 2026/27 due to additional NDPG grant funding received, as well as reprioritisation of the following projects:

Project Description	Fund Source	Increase/ Decrease 2026/27	Increase/ Decrease 2027/28	Increase/ Decrease 2028/29
Homeless Accommodation Upgrade & Extens	1 EFF: 2	-500,000	0	0
Homeless Accommodation Upgrade & Extens	4 NT NDPG	500,000	0	0
Strandfontein Pavilion Refurbishment	1 EFF: 2	-9,067,182	0	0
Strandfontein Pavilion Refurbishment	4 NT NDPG	9,067,182	0	0
Cemetery Upgrades	1 EFF: 2	9,567,182	0	0
Total		9,567,182.00	-	-

3. Corporate Services directorate proposed an increase of R1,3 million in 2026/27 for the return of funds on fleet replacement, which was reprioritised for the fire suppression systems as part of the HR floor upgrades project in 2025/26.

4. Economic Growth directorate proposed changes by means of substitution and reprioritisation due to revised cost estimates, finalisation of details design and revised implementation plans, on the following projects:

Project Description	Fund Source	Increase/ Decrease 2026/27	Increase/ Decrease 2027/28	Increase/ Decrease 2028/29
Parow New Built Informal Trading Structu	1 EFF: 2	1,000,000	0	0
Belville PTI/CBD New Built Demar tradin	1 EFF: 2	2,000,000	0	0
Construct: Trading Infrastructure, KuilsRiver	1 EFF: 2	1,958,679	0	0
Construct: Trading Infrastructure, Strand	1 EFF: 2	0	8,000,000	0
Construct: Thembokwezi Market, Khayelitsha	1 EFF: 2	0	5,968,587	0
Construct: Trading Infrastructure, Nolungile Public Transport Interchange	1 EFF: 2	1,500,000	0	0
Expand: Business Hives Extension, Atlantis	1 EFF: 2	0	-1,300,000	0
Construct: Meat Markets, Langa	1 EFF: 2	100,000	-1,250,000	0
Construct: Trading Infrastructure, Makhaza	1 EFF: 2	0	-4,700,000	4,700,000
Construct: Trading Infrastructure, Nonkqubela	1 EFF: 2	500,000	-7,900,000	8,400,000
Construct: Langa Art & Craft Market	1 EFF: 2	0	-1,303,966	0
Construct: Trading Infrastructure, Watergate	1 EFF: 2	0	-300,000	0
Construct: Trading Infrastructure, Nyanga Public Transport Interchange	1 EFF: 2	-19,910,019	15,585,379	7,000,000
Informal Trading Markets Upgrades	1 EFF: 2	0	6,000,000	0
Public Transport Interchange Informal Trading Infrastructure Development	1 EFF: 2	1,500,000	0	-1,250,000
Economic Dev Facilities Programme	1 EFF: 2	1,000,000	0	0
Athlone Stadium Upgrade Phase 4	1 EFF: 2	0	-2,600,000	-15,850,000
Upgrade HVAC, Green Point Athlone Stadium	1 EFF: 2	0	0	-100,000
Upgrade: Hot Water System, Green Point Athlone Stadium	1 EFF: 2	0	-3,300,000	0
Upgrade: Boardroom & Lightbox Green Point Athlone Stadium	1 EFF: 2	0	-2,000,000	-1,500,000
Athlone Stadium Upgrade	1 EFF: 2	5,851,340	-3,878,587	-900,000
Good Hope Centre Upgrade	1 EFF: 2	0	-350,000	0
Grand Parade Upgrade	1 EFF: 2	0	-2,100,000	0
City Hall Upgrade	1 EFF: 2	4,500,000	-4,500,000	-500,000
Green Point Urban Park Upgrades	1 EFF: 2	0	-71,413	0
Total		-	-	-

5. Human Settlement directorate proposed changes by means of substitution on the following projects:

Project Description	Fund Source	Increase/ Decrease 2026/27	Increase/ Decrease 2027/28	Increase/ Decrease 2028/29
Land Acquisition (Housing)	4 NT ISUPG	20,000,000	14,265,016	17,431,322
Inf Settle Upgr: Enkanini	4 NT ISUPG	-10,000,000	10,000,000	0
Inf Settle Upgr: Monwabisi Park	4 NT ISUPG	-1,400,000	0	-50,000,000
Inf Settle Upgr: Barney Molokwana, Khaye	4 NT ISUPG	-1,038,952	-12,679,425	0
Inf Settle Upgr: Kampies, Philippi	4 NT ISUPG	2,361,000	3,178,000	70,202,632
Inf Settle Upgr: Mfuleni Ext 1	4 NT ISUPG	-5,000,000	0	0
Inf Settle Upgr: Enkanini South Extensi	4 NT ISUPG	-5,000,000	5,000,000	0
Inf Settle Upgr: Hagley	4 NT ISUPG	-1,030,284	-1,782,006	0
Inf Settle Upgr: Steve Biko Khayelitsha	4 NT ISUPG	1,218,621	-4,313,956	0
Inf Settle Upgr: Aloe Ridge South	4 NT ISUPG	5,910,163	0	0
Urbanisation: Backyards/Infrm Settl Upgr	4 NT ISUPG	37,998,572	6,332,371	-20,202,632
Vehicles: Additional	1 EFF: 2	0	0	-8,000,000
Inf Settle Upgr: Adhoc & Emergency	4 NT ISUPG	-5,000,000	-20,000,000	-17,431,322
Informal Settlements Routine Upgrades	4 NT ISUPG	-39,019,120	0	0
Major Upgrading of Depots	1 EFF: 2	151,590	0	-250,000
Asset Upgrade - Routine Prog - Central	1 EFF: 2	8,000,000	0	0
Asset Upgrade - Routine Prog - North	1 EFF: 2	-8,151,590	0	0
Asset Upgrade - Routine Prog - South	1 EFF: 2	0	0	250,000
Fleet Additional	1 EFF: 2	0	0	8,000,000
Total		-	-	-

6. Spatial Planning & Environment directorate decreases by R8,4 million and R7,6 million in 2026/27 and 2027/28 respectively, and increase by R39,7 million in 2028/29 due to additional NDPG funding amendments, as well as changes via substitution and rephrasing on the following projects:

Project Description	Fund Source	Increase/ Decrease 2026/27	Increase/ Decrease 2027/28	Increase/ Decrease 2028/29
Harmony Flats EEC Refurbishment	1 EFF: 2	-	-	14,000,000
Edith Stephens Nature Reserve Upgrade	4 NT NDPG	(8,979,427)	(7,776,362)	16,755,789
Reserves Infrastructure - Minor Upgrades	1 EFF: 2	-	-	3,943,706
IT Equipment: Replacement	1 EFF: 2	-	150,000	-
IT Equipment: Replacement	1 EFF: 2	-	-	5,000,000
Kuyasa MPC Alterations & additions	1 EFF: 2	327,264	-	-
Stock Road Public Realm Upgrade	1 EFF: 2	-	-	(7,138,800)
Stock Road Public Realm Upgrade	4 NT NDPG	-	-	7,138,800
Terminus Road & Public Realm Upgrade	4 NT NDPG	273,228	-	-
Sports Road Upgrade	1 EFF: 2	-	-	(440,640)
Sports Road Upgrade	4 NT NDPG	-	-	440,640
Pond P20 Re-development	1 EFF: 2	-	-	(582,402)
Pond P20 Re-development	4 NT NDPG	-	-	582,402
Ubuteyi Access Road Construction	1 EFF: 2	(327,264)	(150,000)	(14,781,864)
Ubuteyi Access Road Construction	4 NT NDPG	327,264	150,000	14,781,864
Total		(8,378,935)	(7,626,362)	39,699,495

7. Urban Mobility directorate proposed an increase of R39,4 million and R26,5 million in 2026/27 and 2027/28 respectively, due to additional NDPG funding as well as changes via substitution, on the following projects:

Project Description	Fund Source	Increase/ Decrease 2026/27	Increase/ Decrease 2027/28	Increase/ Decrease 2028/29
Rd Rehab: Bonteheuwel/Uitsig	1 EFF: 2	10,000,000	0	0
Rd Rehab: Manenberg	1 EFF: 2	-39,449,513	-26,539,024	0
Rd Rehab: Manenberg	4 NT NDPG	39,449,513	26,539,024	0
Rehabilitation - Minor Roads	1 EFF: 2	13,500,000	15,000,000	0
Unmade Roads: Residential	1 EFF: 2	10,000,000	6,539,024	0
Pedestrianisation	1 EFF: 2	5,949,513	5,000,000	0
Total		39,449,513.00	26,539,024.00	-

8. Review and amendments to project linkages of capital projects to ensure correct alignment to programmes/routine programmes as per approved definitions as well as providing better/more detail of projects.

The net results per directorate stemming from the above amendments post tabling of the 2026/27 capital budget at Council at the end of March 2026 are reflected in the below table.

Directorate	Tabled Budget 2026/27	May Reviewed Budget 2026/27	Difference between Tabled Budget and May Reviewed Budget 2026/27	Tabled Budget 2027/28	May Reviewed Budget 2027/28	Difference between Tabled Budget and May Reviewed Budget 2027/28	Tabled Budget 2028/29	May Reviewed Budget 2028/29	Difference between Tabled Budget and May Reviewed Budget 2028/29
R'000									
Community Services & Health	366,381	376,209	9,828	558,619	558,034	-585	384,936	384,777	-159
Corporate Services	616,475	641,001	24,526	1,898,872	1,875,646	-23,226	630,128	630,128	
Economic Growth	84,703	84,703		160,256	160,256		111,456	111,456	
Energy	1,505,843	1,521,424	15,581	1,832,102	1,832,102		2,063,123	2,063,123	
Finance	27,661	27,661		149,105	149,105		56,068	56,068	
Future Planning & Resilience	11,766	14,766	3,000	5,810	5,810		3,581	3,581	
Human Settlements	966,583	966,583		941,437	941,437		939,916	939,916	
Office of the City Manager	6,434	3,434	-3,000	66,749	66,749		52,169	52,169	
Safety & Security	204,857	207,259	2,402	400,154	400,154		504,880	504,880	
Spatial Planning & Environment	326,135	309,756	-16,379	256,014	248,388	-7,626	212,743	260,443	47,699
Urban Mobility	3,039,048	3,057,544	18,496	1,835,763	1,888,876	53,113	1,171,437	1,096,897	-74,540
Urban Waste Management	489,276	489,276		653,804	653,804		1,064,601	1,064,601	
Water & Sanitation	5,386,924	5,386,924		5,913,560	5,913,560		5,415,191	5,415,191	
Grand Total	13,032,085	13,086,540	54,455	14,672,245	14,693,922	21,676	12,610,229	12,583,229	-27,000

OPERATING BUDGET

A. CHANGES IMPLEMENTED AS A RESULT OF THE HIGH COURT RULING

Following the Western Cape High Court judgment of 30 April 2026, the City was required to implement a number of material amendments to the rates and tariff structures contained in the 2026/27 March Tabled Budget. In the Tabled budget, the City-wide area cleansing services were funded through a City-wide Cleaning tariff levied on residential properties and vacant land, together with a contribution from the Property Rates account, supported by contribution from electricity commercial sales. To comply with the Court's ruling, the City reviewed these arrangements and proposed amendments as set out below.

- **City-wide Cleaning** for residential properties and vacant land will no longer be recovered through a tariff but instead funded through Property Rates, shown in the table below:

Property Value Band (2026/27)	UNIT	2026/27 March Tabled Tariff (Rand excl. VAT)	2026/27 May Amended Tariff (Rand excl. VAT)
R1 - R620 000	Monthly charge per property value band	0.00	0.00
R620 001 to R730 000		4.26	0.00
R730 001 to R890 000		8.17	0.00
R890 001 to R1,2m		10.35	0.00
R1 200 001 to R1,45m		30.00	0.00
R1 450 001 tot R1,73m		52.09	0.00
R1 730 001m to R2m		57.30	0.00
R2 000 001 to R2,35m		62.96	0.00

Property Value Band (2026/27)	UNIT	2026/27 March Tabled Tariff (Rand excl. VAT)	2026/27 May Amended Tariff (Rand excl. VAT)
R2 350 001 to R2,58m		69.30	0.00
R2 580 001 to R2,84m		76.26	0.00
R2 840 001 to R3,2m		83.83	0.00
R3 200 001 to R3,5m		100.61	0.00
R3 500 001 to R3,8m		125.74	0.00
R3 800 001 to R4,1m		150.96	0.00
R4 100 001 to R4,8m		188.61	0.00
R4 800 001 to R5,4m		235.74	0.00
R5 400 001 to R6,1m		282.96	0.00
R6 100 001 to R6,7m		373.48	0.00
R6 700 001 to R7,5m		448.17	0.00
R7 500 001 to R7,9m		470.61	0.00
R7 900 001 to R8,5m		494.09	0.00
R8 500 001 to R9,2m		503.91	0.00
R9 200 001 to R9,8m		574.52	0.00
R9 800 001 to R10,4m		637.74	0.00
R10 400 001 to R10,9m		656.87	0.00
R10 900 001 to R11,8m		670.09	0.00
R11 800 001 to R12,2m		683.39	0.00
R12 200 001 to R14,6m		990.96	0.00
R14 600 001 to R16.8m		1 139.65	0.00
R16 800 001 to R19m		1 310.52	0.00
R19 000 001 to R21m		1 965.83	0.00
R21 000 001 to R23,3m		2 064.09	0.00
R23 300 001 to R29,3m		2 270.52	0.00
R29 300 001 to R40m		2 838.17	0.00
R40 000 001 to R55,6m		2 980.09	0.00
R55 600 001 to R79,9m		6 258.09	0.00
R79 900 001 to R96,6m		6 445.83	0.00
R96 600 001 to R121m		6 639.22	0.00
Above R121m		12 614.52	0.00

- The table below reflect the summary of the Property Rates amendments proposed to the 2026/27 March Tabled Budget.

Net Property Rates (Net Movement)	2026/27 R' 000
2026/27 March Tabled Budget	14 731 646
2026/27 May Amended Budget	15 810 666
Difference (Net increase)	1 079 020

- The Property Rates increase (R1,079 billion) reflected in the table above was utilised to address the funding requirement for City-wide Cleaning (R869 million), including a provision for debt impairment, which will no longer be recovered through a tariff and will instead be funded through Property Rates. In addition, the 2026/27 Electricity contribution to Property Rates (for commercial customers only) will be phased out. This results in a R200 million increase on Property Rates for commercial type property rating categories, with a corresponding reduction in the per-unit price increase for electricity purchases for commercial customers. As a result, the overall average energy tariff increase for commercial customers has been reduced to 5.46% (from 6.82% in the 2026/27 March Tabled Budget), while the average residential energy tariff increase remains unchanged at 6.64%.
- To mitigate the impact of the implementation of the above, and provide relief where most needed, the Residential Property Rates reduction has been increased to R620 000 (including the statutory reduction), up from R500 000 in the 2026/27 March Tabled Budget.
- To accommodate the phasing out of the electricity contribution for commercial properties (above), the Property Rates Rate in the Rand and the Property Rates Ratio have been amended as follows:

Property Rating Category	2025/26 Approved Budget	2026/27 March Tabled Budget	2026/27 May Amended Budget	% Change from 2025/26	2026/27 March Tabled Budget	2026/27 May Amended Budget
	Rate-in- Rand	Rate-in- Rand	Rate-in- Rand	Rate-in- Rand	Property Rates Ratio	Property Rates Ratio
Residential	0.007159	0.006428	0.007010	-2.08%	1:1	1:1
Industrial	0.016824	0.015106	0.016910	0.51%	1:2.35	1: 2.41
Business and commercial	0.016824	0.015106	0.016910	0.51%	1:2.35	1: 2.41
Agricultural	0.001432	0.001286	0.001402	-2.09%	1:0.20	1: 0.20
Mining	0.016824	0.015106	0.016910	0.51%	1:2.35	1: 2.41
Organ of state	0.016824	0.015106	0.016910	0.51%	1:2.35	1: 2.41
Public service infrastructure	0.001790	0.001607	0.001753	-2.09%	1:0.25	1:0.25
Public benefit organisation	0.001790	0.001607	0.001753	-2.09%	1:0.25	1:0.25
Vacant land	0.014318	0.012856	0.014020	-2.09%	1:2.00	1:2.00
Social housing	0.001790	0.001607	0.001753	-2.09%	1:0.25	1:0.25

Property Rating Category	2025/26 Approved Budget Rate-in-Rand	2026/27 March Tabled Budget Rate-in-Rand	2026/27 May Amended Budget Rate-in-Rand	% Change from 2025/26 Rate-in-Rand	2026/27 March Tabled Budget Property Rates Ratio	2026/27 May Amended Budget Property Rates Ratio
Miscellaneous	0.016824	0.015106	0.016910	0.51%	1:2.35	1: 2.41
Specified religious purposes	0.001790	0.001607	0.001753	-2.09%	1:0.25	1:0.25
Not for profit	0.001790	0.001607	0.001753	-2.09%	1:0.25	1:0.25

○ **Water and Sanitation**

- Fixed Water and Sanitation charges reverted in being based on water meter size, being the methodology applied by the City prior to the introduction of property value bands methodology.
- Fixed charges, based on property value bands have been removed as follows:

Property Value Band - General Valuation 2025	2026/27 March Tabled Tariffs (excl. VAT)		2026/27 May Amended Tariffs (excl. VAT)	
	Water	Sanitation	Water	Sanitation
R				
1 - 620 000	0.00	0.00	0.00	0.00
620 001 - 890 000	57.14	26.88	0.00	0.00
890 001 - 1 200 000	57.14	26.88	0.00	0.00
1 200 001 - 1 450 000	65.71	32.25	0.00	0.00
1 450 001 - 1 730 000	75.43	35.84	0.00	0.00
1 730 001 - 2 000 000	75.43	35.84	0.00	0.00
2 000 001 - 2 350 000	80.57	39.42	0.00	0.00
2 350 001 - 2 580 000	85.14	43.00	0.00	0.00
2 580 001 - 2 840 000	90.00	46.59	0.00	0.00
2 840 001 - 3 200 000	108.86	57.34	0.00	0.00
3 200 001 - 3 500 000	127.43	68.09	0.00	0.00
3 500 001 - 3 800 000	144.57	86.01	0.00	0.00
3 800 000 - 4 100 000	161.70	104.82	0.00	0.00
4 100 001 - 4 800 000	184.57	123.64	0.00	0.00
4 800 001 - 5 400 000	207.42	142.45	0.00	0.00
5 400 001 - 6 100 000	224.56	161.26	0.00	0.00

Property Value Band - General Valuation 2025	2026/27 March Tabled Tariffs (excl. VAT)		2026/27 May Amended Tariffs (excl. VAT)	
	Water	Sanitation	Water	Sanitation
R				
6 100 001 - 6 700 000	258.85	180.08	0.00	0.00
6 700 001 - 9 200 000	297.14	196.21	0.00	0.00
9 200 001 - 12 200 000	342.84	215.02	0.00	0.00
12 200 001 - 18 100 000	388.55	236.52	0.00	0.00
18 100 001 - 29 300 000	434.27	258.02	0.00	0.00
29 300 001 - 55 600 000	594.26	279.52	0.00	0.00
55 600 001 - 121 000 000	639.98	301.03	0.00	0.00
121 000 001 and above	685.69	322.53	0.00	0.00

- Although the overall revenue envelope remains unchanged, the balance between fixed (basic) revenue and consumption-based revenue has shifted, with less revenue now raised by fixed tariffs (declining to approx. 17% of water and sanitation revenue from service charges), and more from consumption charges (approx. 83%). The reduction in the overall value of fixed basic charges is largely driven by the City's effort to mitigate the impact on lower- and middle-income properties, achieved by consolidating the fixed tariff for all meter sizes up to 22mm, and by increasing the consumption charge for high-consumption consumers. Consequently, the revised fixed charges are reflected in the table below:

Meter size	2026/27 May Fixed charges amendments Water Fixed Charges R (excl. VAT)	2026/27 May Fixed charges amendments Sanitation Fixed Charges R (excl. VAT)
12mm	90.13	49.27
15mm	90.13	49.27
20mm	90.13	49.27
22mm	90.13	49.27
25mm	251.09	137.25
32mm	251.09	137.25
40mm	643.82	351.91
50mm	1,005.96	549.86
75mm	2,575.27	1,407.64
80mm	2,575.27	1,407.64

Meter size	2026/27 May Fixed charges amendments Water Fixed Charges R (excl. VAT)	2026/27 May Fixed charges amendments Sanitation Fixed Charges R (excl. VAT)
100mm	4,023.87	2,199.44
150mm	9,053.71	4,948.76
200mm	16,095.47	8,797.79
250mm	25,116.99	13,728.95
300mm	25,116.99	13,728.95

- To compensate for this change, consumption-based charges for both Water and Sanitation have increased for high-usage domestic customers compared to the 2026/27 March Tabled Budget, as reflected in the tables below (based on water usage levels).

Water: Unit per kl (excl. VAT)		
Domestic Full & Domestic Cluster – Non Indigent	2026/27 March Tabled Budget Tariffs	2026/27 May Amended Tariffs
Step 1 (0 ≤ 6kl)	R22.10	R21.78
Step 2 (>6 ≤ 10.5kl)	R30.37	R29.93
Step 3 (>10.5 ≤ 35kl)	R45.39	R47.48
Step 4 (>35kl)	R87.57	R95.63

Sanitation: Unit per kl (excl. VAT)		
Domestic Full & Domestic Cluster – Non Indigent	2026/27 March Tabled Budget Tariffs	2026/27 May Amended Tariffs
Step 1 (0 ≤ 4.2 kl)	R16.16	R15.90
Step 2 (>4.2 ≤ 7.35 kl)	R22.20	R21.84
Step 3 (>7.35 ≤ 24.5 kl)	R34.28	R36.68
Step 4 (>24.5 ≤ 35 kl)	R56.38	R64.27

B. OUTCOME OF THE RELEVANT PORTFOLIO COMMITTEES' MEETINGS

1. The following portfolio committees supported and/or noted the draft budget as presented:
 - Community Services and Health;
 - Corporate Services;
 - Economic Growth;
 - Energy;
 - Future Planning & Resilience;
 - Human Settlements;
 - Safety & Security;
 - Urban Mobility;

- Urban Waste Management;
- Water & Sanitation;
- Spatial Planning & Environment; and
- Finance.

2. The Safety & Security Portfolio committee proposed the following:

- Additional allocation (R10 million) for additional staffing to manage rising call volumes to the 107 hotlines, as demand shifts from 10111 to 107. The request was **not supported** due to budget constraints, and the request did not form part of the 2026/27 SMF process.

C. AMENDMENTS STEMMING FROM THE LATEST PROVINCIAL GAZETTE EXTRAORDINARY 9206, DATED 12 MARCH 2026

Directorate and Grant Detail	2026/27	2027/28	2028/29
	R'000		
Community Services & Health	(60 018)	(63 199)	(43 270)
Health HIV & Aids	(29 963)	(32 388)	(22 769)
Health Nutrition			172
Health Primary	(30 741)	(30 741)	(21 196)
Provincial Library Services: Conditional grant	686	(70)	523
Corporate Services	76		
LGSETA Post Graduate Internship Programme	76		
Finance	16 501	(3 492)	(6 973)
Interest	7 597	1 800	1 900
Informal Settlements Upgrading Partnership Grant	2 034	208	
Neighbourhood Development Partnership Grant		(5 500)	(5 273)
Public Transport Network Grant	(0)	–	(200)
Municipal Accreditation Capacity Building Grant	6 870		(3 400)
Future Planning & Resilience		(31 757)	(25 000)
Programme and Project Preparation Support Grant		(31 757)	(25 000)
Human Settlements	(39 550)	10 892	11 600
Informal Settlements Upgrading Partnership Grant	(2 034)	(208)	
Human Settlement Development Grant (Beneficiaries)	(50 941)	(900)	(900)
Title Deeds Restoration Grant	13 425	12 000	12 500
Safety & Security	298	250	13 129
Law enforcement advancement plan (LEAP)	–	–	11 814
Provide resources for the tourism safety law enforcement unit project	2 500	–	–
Provide resources to serve in the City of Cape Town Law Enforcement Service (LES)	200	250	334
School Resource Officer Project	(2 402)	–	981
Spatial Planning & Environment	(40 638)	(10 493)	(22 167)
Neighbourhood Development Partnership Grant	(40 638)	(10 493)	(22 167)
Urban Mobility	35 668	8 355	14 920
Interest	183	357	(380)
Public Transport Network Grant	35 485	7 998	15 300

Directorate and Grant Detail	2026/27	2027/28	2028/29
	R'000		
Urban Waste Management	(17)	(17)	(17)
Community Development workers	(17)	(17)	(17)
Water & Sanitation	(33 655)	22 154	6 933
Private Sector Finance (Water & Sanitation)	(33 655)	22 154	6 933
Grand Total	(121 334)	(67 307)	(50 845)

D. OTHER AMENDMENTS

- The Public Empowerment & Development Department which focusses on job creation, via the Expanded Public Works Programme, was moved from the Urban Waste Management directorate to Corporate Services directorate as approved by the City Manager. This resulted in the following budget movement:

Operating Details	2026/27	2027/28	2028/29
Revenue	8 122	1 002	1 002
Expenditure	84 074	78 128	81 400

- Additional allocations were incorporated in the 2026/27 Tabled budget as follows:
 - R3 million for the establishment of a disinformation unit to monitor and respond to fake news impacting the City within Future Planning and Resilience directorate; and
 - R6 million - annual allocation required to Atlantis Special Economic Zone for enabling long-term economic growth, job creation, and positioning the Atlantis Special Economic Zone as a catalyst for green industrial development.

The tables below reflect the net impact of changes mentioned above on the 2026/27 MTREF.

Revenue:

Directorate R'000	Tabled Budget 2026/27	June Reviewed Budget 2026/27	Difference between Tabled Budget and June Reviewed Budget 2026/27	Tabled Budget 2027/28	June Reviewed Budget 2027/28	Difference between Tabled Budget and June Reviewed Budget 2027/28	Tabled Budget 2028/29	June Reviewed Budget 2028/29	Difference between Tabled Budget and June Reviewed Budget 2028/29
Community Services & Health	1 011 852	961 401	(50 451)	1 051 097	987 674	(63 423)	1 055 162	1 011 733	(43 429)
Corporate Services	90 926	99 125	8 199	93 004	94 005	1 002	96 081	97 082	1 002
Economic Growth	399 987	399 987	–	482 354	482 354	–	445 956	445 956	–
Energy	25 701 702	25 505 775	(195 927)	27 543 172	27 133 445	(409 728)	29 766 544	28 940 411	(826 133)
Finance	21 469 450	22 564 972	1 095 521	22 616 342	24 258 355	1 642 013	24 118 124	26 324 608	2 206 484
Future Planning & Resilience	90 482	90 482	–	90 982	59 225	(31 757)	91 511	66 511	(25 000)
Human Settlements	1 763 406	1 723 856	(39 550)	1 745 404	1 756 296	10 892	1 678 987	1 690 587	11 600
Office of the City Manager	15 488	15 488	–	4 660	4 660	–	4 805	4 805	–
Safety & Security	2 425 257	2 427 957	2 700	2 489 381	2 489 631	250	2 485 229	2 498 358	13 129
Spatial Planning & Environment	744 005	694 988	(49 017)	775 227	757 108	(18 119)	782 151	799 683	17 532
Urban Mobility	3 298 368	3 338 001	39 633	1 862 645	1 889 540	26 896	1 107 040	1 096 494	(10 546)
Urban Waste Management	3 357 585	2 538 186	(819 399)	3 592 260	2 770 712	(821 548)	4 158 249	3 008 271	(1 149 978)
Water & Sanitation	18 622 451	18 588 796	(33 655)	21 355 000	21 299 258	(55 742)	24 444 682	24 333 545	(111 136)
Total	78 990 958	78 949 013	(41 945)	83 701 527	83 982 262	280 735	90 234 520	90 318 044	83 524

Expenditure

Directorate R'000	Tabled Budget 2026/27	June Reviewed Budget 2026/27	Difference between Tabled Budget and June Reviewed Budget 2026/27	Tabled Budget 2027/28	June Reviewed Budget 2027/28	Difference between Tabled Budget and June Reviewed Budget 2027/28	Tabled Budget 2028/29	June Reviewed Budget 2028/29	Difference between Tabled Budget and June Reviewed Budget 2028/29
Community Services & Health	5 255 696	5 182 703	(72 994)	5 350 793	5 252 451	(98 342)	5 650 804	5 572 391	(78 413)
Corporate Services	4 429 740	4 519 107	89 368	4 880 783	4 958 911	78 128	5 015 924	5 097 323	81 400
Economic Growth	777 369	783 369	6 000	790 906	790 906	–	835 424	835 424	–
Energy	23 125 795	23 122 856	(2 939)	24 832 923	24 828 080	(4 843)	26 819 807	26 810 845	(8 962)
Finance	4 572 255	4 635 203	62 948	5 118 523	5 202 599	84 075	5 815 045	5 924 218	109 173
Future Planning & Resilience	671 618	674 644	3 026	704 547	675 975	(28 572)	739 304	717 656	(21 648)
Human Settlements	1 804 940	1 770 371	(34 569)	1 810 330	1 821 637	11 308	1 853 907	1 865 507	11 600
Office of the City Manager	578 076	578 336	260	591 366	591 639	274	626 687	626 975	288
Safety & Security	6 833 677	6 833 896	219	7 066 936	7 067 186	250	7 388 088	7 401 217	13 129
Spatial Planning & Environment	2 060 746	2 017 245	(43 501)	1 951 560	1 938 017	(13 543)	2 062 204	2 040 037	(22 167)
Urban Mobility	4 776 471	4 815 037	38 567	5 182 492	5 193 897	11 405	5 352 334	5 367 254	14 920
Urban Waste Management	4 217 722	4 068 730	(148 992)	4 411 192	4 256 294	(154 898)	4 513 466	4 325 663	(187 803)
Water & Sanitation	15 652 288	15 618 633	(33 655)	17 155 060	17 177 214	22 154	18 800 209	18 807 142	6 933
Total	74 756 392	74 620 128	(136 263)	79 847 411	79 754 806	(92 605)	85 473 201	85 391 651	(81 550)