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YOUR CITY BUDGET 2025/26 MTREF

**Draft for
comment before 2
May 2025. Visit:
[www.capetown.gov.
za/HaveYourSay](http://www.capetown.gov.za/HaveYourSay)**

Total Budget – R84,1 bn for 2025/26



Capital Expenditure Budget

Includes land, community buildings, equipment, renewal and new roadways, water- and waste water infrastructures, etc.

R12,7bn

Operating expenditure Budget

City's day-to-day costs of delivering services, including staff and boots on the ground such as safety and security, IRT bus services, maintenance of existing City infrastructure, etc.

R71,3bn


City's expansive Capital Investment growth



2022/23
(Actual)
R6,9bn




2024/25
(Current)
R11,9bn




2026/27
R14,3bn



2023/24
(Actual)
R9,4bn



2025/26
R12,7bn



2027/28
R12,7bn

Record
Capex
Achievement



CAPITAL BUDGET – FOCUS AREAS

Vehicles and Plant e.g. refuse trucks,
Development of Transfer Stations,
Upgrading Solid Waste facilities



IRT Ph2A,
Congestion relief,
Road upgrades and reconstruction

Core Application Refresh (CAR),
Additional vehicles and related resources in
Safety & Security to get more Metro Police
officers in communities,
CCTV cameras,
Vlei rehab,
Coastal structure rehabs



Expansive Water Programme:
WWTW upgrades and expansions,
Sewer- and Water network(pipe replacement),
Pump stations

Small-scale energy generation,
Steenbras Power Station Main plant
refurbishment,
Streetlighting,
Electrification



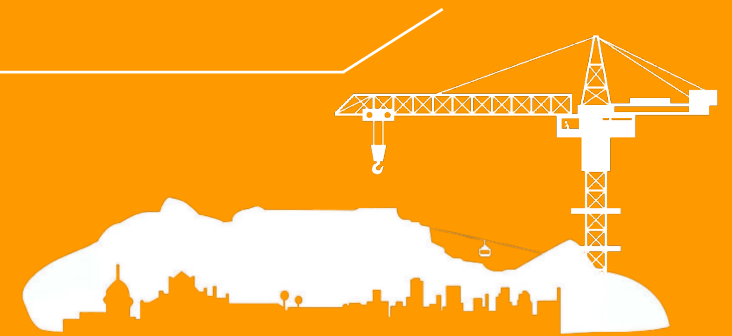
Informal Settlement Upgrading,
New Housing Developments infrastructure,
Upgrading of community facilities, sport
facilities and swimming pools



Social package R5,2 billion to help



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City's Rebates - based on property value

PROPOSED REBATES 2025/26

Property Value	Refuse Removal Charges	City – Wide Cleaning	Water	Sanitation	Property Rates*	Electricity Lifeline Tariff: <250KwH	Electricity Lifeline Tariff: >250KwH <450KwH
R500 001 – R650 000	25%		-	-	-	-	-
R450 001 – R500 000	50%	100%	100%	100%	-	60KWH free	25KWH free
R450 000 and below	100%	100%	100%	100%	100%	60KWH free	25KWH free

* **Further Rebates**

Residential properties under R5 million get the first R450 000 of property value Rates-free

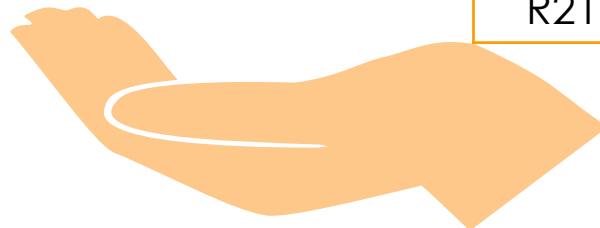
Rebates based on Household Income

PROPOSED REBATES 2025/26	
Household Income	Rebate %
R0 – R7 500	100%

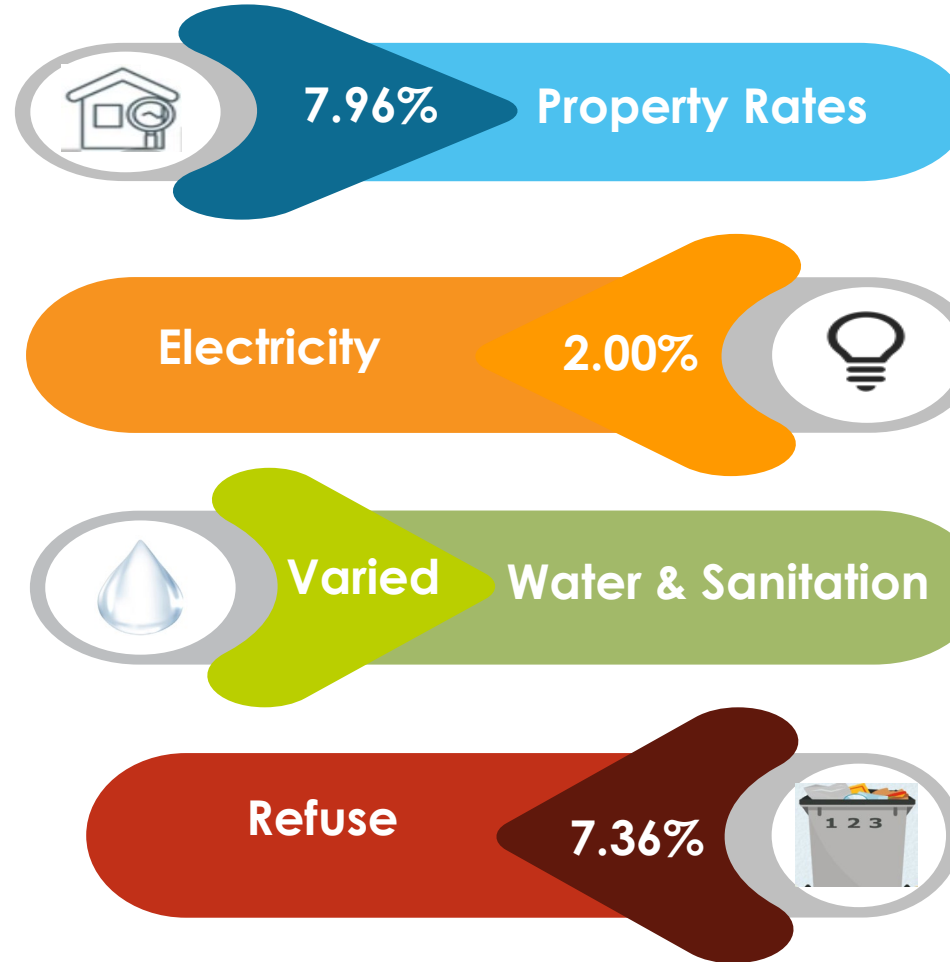
- Benefits applicable to households earning R7 500 and below is the same as if the property is deemed to be R450 000 and below

Rebates based on Pension and Social Grants

PROPOSED REBATES 2025/26	
Household Income	Rebate
R0 – R7 500	100%
R7 501 – R10 000	95%
R10 001 – R14 000	90%
R14 001 – R15 000	80%
R15 001 – R16 000	70%
R16 001 – R17 000	60%
R17 001 – R18 000	50%
R18 001 – R19 000	40%
R19 001 – R20 000	30%
R20 001 – R21 000	20%
R21 001 – R22 000	10%



2025/26 Average Rates and Tariff increases



Eskom's increase to municipalities is 11,32%, the City's increase is 9.32 percentage points lower

Overview of Tariff changes

Tariff reform and Restructuring

Water

Fixed charges will now be determined by property value and not connection size.

Variable impact providing relief for households at lower end of income spectrum.

Sanitation

Introduction of fixed charge which will be offset by a reduction in the charges for sanitation volumes.

Energy

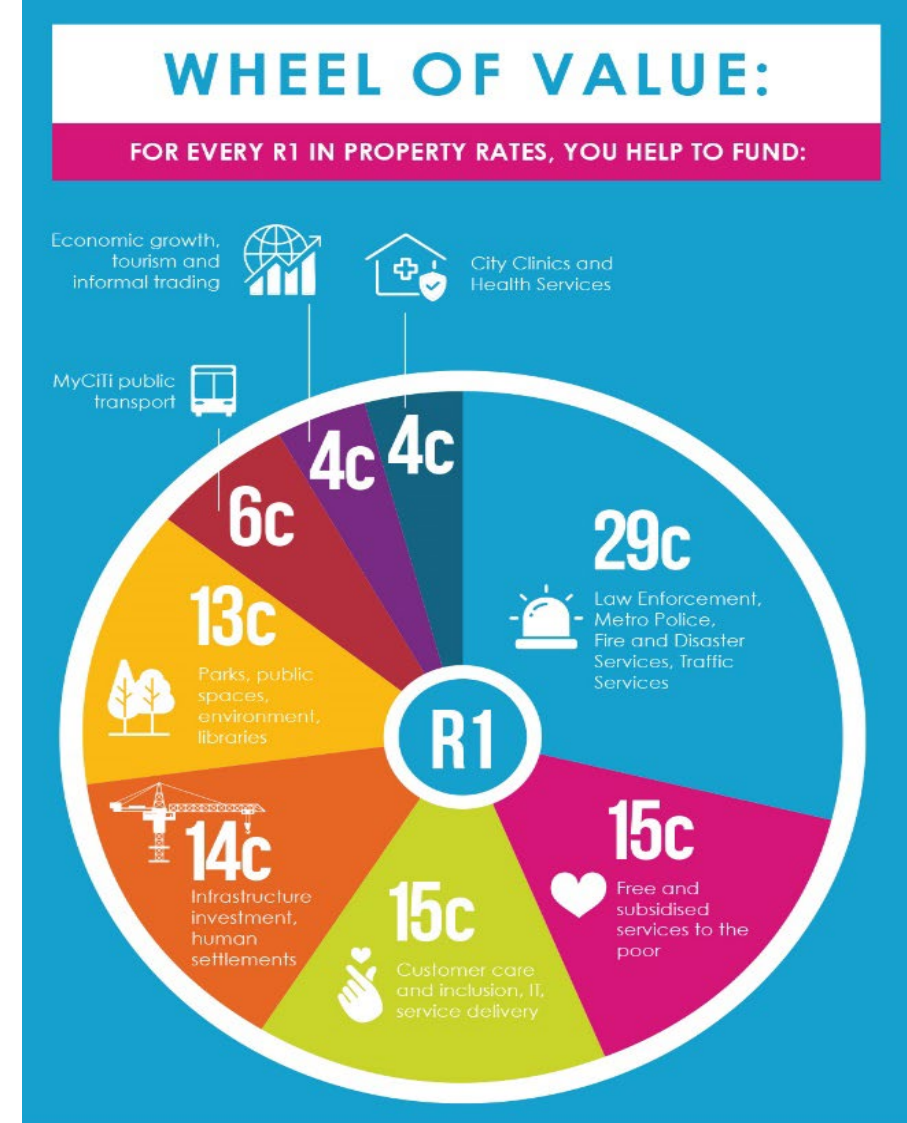
Average tariff increase only 2% . Service and Wires Charge for the Domestic category and Recovery of service and network charges via fixed cost.

City – Wide Cleaning

Change in the method in how customers will contribute to the funding of cleansing services. Offset by the reduced Electricity cost

Tariff restructuring reforms, with notable relief for lower income households

Property rates wheel of value



Please comment on Your 2025/26 City Budget
by 2 May 2025.

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Proposed Property Rates – Rate in the Rand

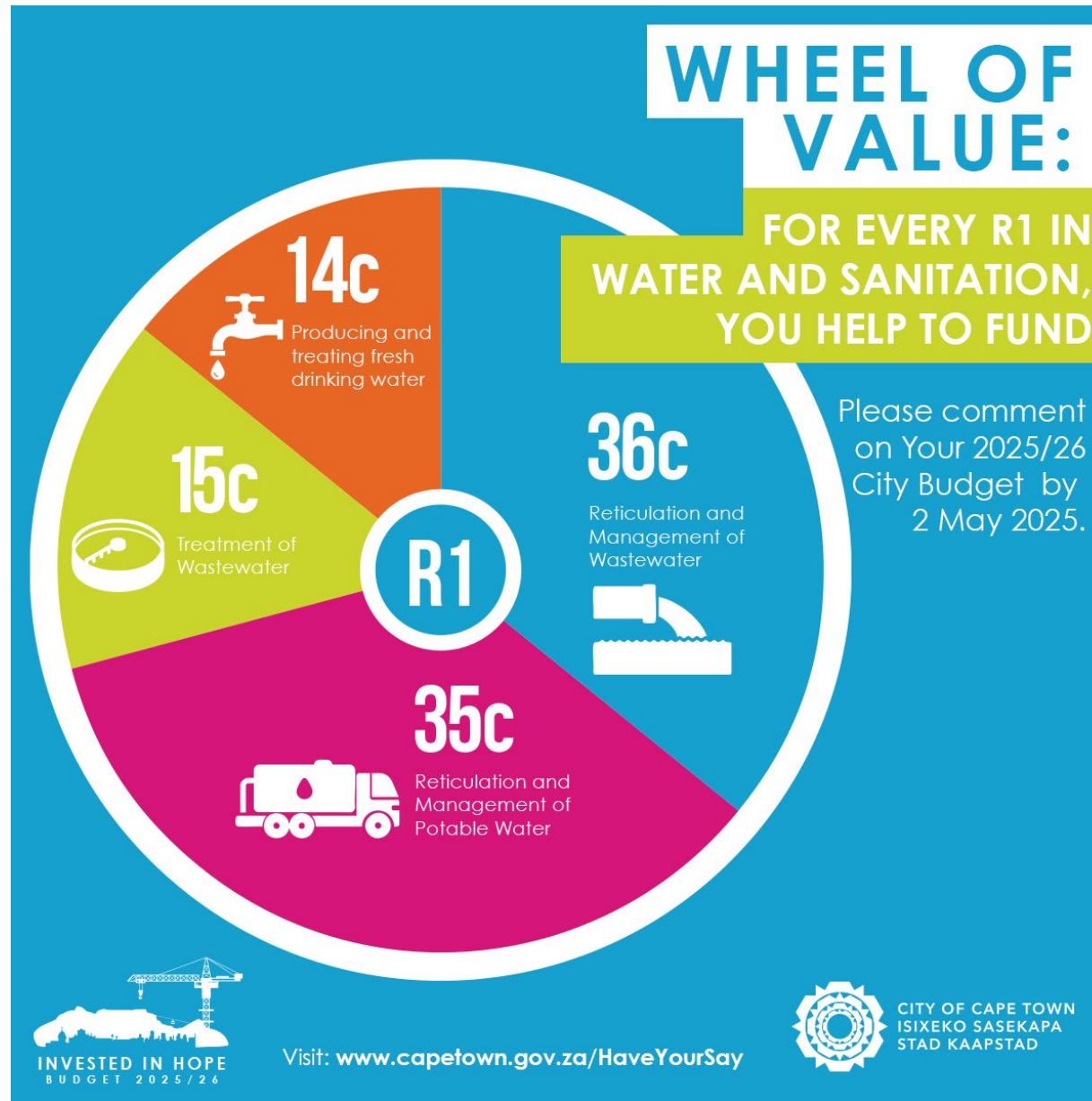
Cape Town continues to have lowest property rates in South Africa

Property Rates	2024/25	2025/26
Residential	0.006631	0.007159
Agricultural	0.001326	0.001432
Business & Commercial, Industrial, Mining, Organ of State	0.015582	0.016824
Vacant Land	0.013261	0.014318
Public Benefit Organisations and Public Service Infrastructure, Old Age home, Early Childhood Development, Accommodation for Vulnerable, Amateur Sport	0.001658	0.001790



Rate-in-the-Rate Increase
Based on 7,96% increase in the Residential Rate-in-the-Rand

Water and Sanitation Wheel of Value





Proposed Water Tariffs - Level Water-wise

DOMESTIC FULL and DOMESTIC CLUSTER – NON-INDIGENT	2024/25 EXCL. VAT	2025/26 EXCL. VAT
Step 1 ($0 \leq 6\text{kl}$)	R 19.59	R 21.15
Step 2 ($>6 \leq 10.5\text{kl}$)	R 26.92	R 29.06
Step 3 ($>10.5 \leq 35\text{kl}$)	R 36.58	R 43.44
Step 4 ($>35\text{kl}$)	R 67.50	R 83.80

2025/26 – Fixed charge based on Property Value bands

Property Value bands (Upper Band) R'	2025/26 Excl. VAT (R')
500,000	0.00
750,000	54.68
1,000,000	54.68
1,250,000	65.62
1,500,000	72.91
1,750,000	72.91
2,000,000	80.20
2,250,000	87.49
2,500,000	94.78
2,750,000	116.65
3,000,000	138.52
3,250,000	174.98
3,500,000	213.25
4,000,000	251.53
4,500,000	289.80
5,000,000	328.08
5,500,000	366.36
7,500,000	399.16
10,000,000	437.44
15,000,000	481.18
25,000,000	524.93
50,000,000	568.67
100,000,000	612.42
+	656.16

What does Water services provide?

Investment in
new Water
sources to
ensure Water
Security

Free water to
indigent
communities

Operating &
maintenance
of Water
infrastructure

Provision of
clean and safe
drinking water at
your property

Investment into
replacement
and
upgrading of
current water
network



Proposed Sanitation Tariffs – Level Water-wise

DOMESTIC FULL & DOMESTIC CLUSTER - NON INDIGENT	2024/25 EXCL. VAT	2025/26 EXCL. VAT
Step 1 ($0 \leq 4,2$ kl)	R 17.21	R 15.46
Step 2 ($>4.2 \leq 7.35$ kl)	R 23.65	R 21.24
Step 3 ($>7.35 \leq 24.5$ kl)	R 33.22	R 32.80
Step 4 ($>24.5 \leq 35$ kl)	R 52.25	R 53.95

What does Sanitation services provide?

Investment in extension of wastewater treatment plants to ensure sufficient treatment capacity

Free sanitation services to indigent communities

Investment into upgrading and replacement of current sewer facilities, networks and pump stations to prevent pollution

Removal of wastewater from your property

Operation and maintenance of sanitation infrastructure



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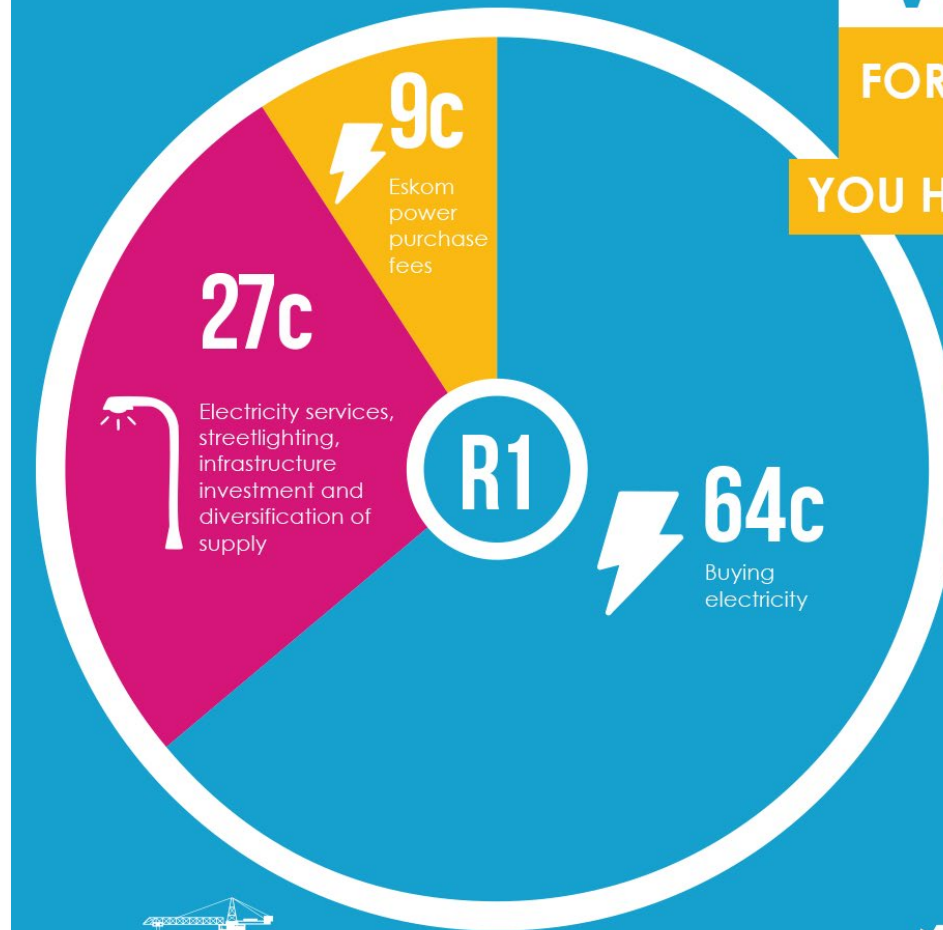
2025/26 – Fixed charge based on Property Value bands	
Property Value bands (Upper Band) R'	2025/26 Excl. VAT (R')
500,000	0.00
750,000	25.72
1,000,000	25.72
1,250,000	30.86
1,500,000	34.29
1,750,000	34.29
2,000,000	37.72
2,250,000	41.15
2,500,000	44.58
2,750,000	54.87
3,000,000	65.16
3,250,000	82.30
3,500,000	100.31
4,000,000	118.31
4,500,000	136.32
5,000,000	154.32
5,500,000	172.32
7,500,000	187.76
10,000,000	205.76
15,000,000	226.34
25,000,000	246.91
50,000,000	267.49
100,000,000	288.06
+	308.64

Electricity Wheel of Value

WHEEL OF VALUE:

FOR EVERY R1 IN ELECTRICITY, YOU HELP TO FUND

Please comment on Your 2025/26 City Budget by 2 May 2025.



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2025/26 Proposed Electricity Tariffs

SAVING OF 9,32% THIS YEAR
AVERAGE 2% INCREASE CITY CUSTOMERS

Home User	Unit	2024/25	2025/26
Service and Wires Charge	R/month	245.03	339.89
Energy Block 1	c/kWh	298.70	293.62
Energy Block 2	c/kWh	413.38	384.23

Domestic	Unit	2024/25	2025/26
Service and Wires Charge	R/month	0.00	59.90
Energy Block 1	c/kWh	339.74	339.95
Energy Block 2	c/kWh	413.38	404.13

Lifeline	Unit	2024/25	2025/26
Service and Wires Charge	R/month	0.00	0.00
FBE	c/kWh	206.16	226.53
Energy Block 1	c/kWh	206.16	226.53
Energy Block 2	c/kWh	206.16	226.53

Credit meter;
and/or
Property value \geq R1m

Prepaid meter;
and
Property value $>$ R0.5m & $<$ R1m

Prepaid meter; and
Property value R0.5m or less

What does Energy services provide?



Qualify for lifeline electricity

- Monthly usage: (12-month average) must be below 450 kWh, includes free basic.
- Municipal property valuation must be less than R500 000.
- A prepaid electricity meter must be installed.



Change in funding methodology

City-wide Cleaning tariff vs Reduced energy charge

- ❑ The reduced electricity cost allowed for the change in the method of how City customers contribute to the funding of cleansing services through the City – wide Cleaning tariff;

However it should be noted that:

- ❑ **Eskom supplied areas will not see a reduction in the Energy charge.** These customer were previously subsidised considering the % contribution to Rates which City Energy supplied customers were paying, savings shown below:

Unregulated tariff c/kwh	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Contribution to Rates	19.72	22.89	24.75	29.62	31.34	8.68
Street lighting	6.3	6.09	6.67	7.95	9.42	10.35
Total unregulated	26.02	28.98	31.42	37.57	40.76	19.03

c/kWh savings experience by Eskom customers over 5 year period

Benefit of not Contributing to Rates: Monthly							
Usage Category	Units: kwh	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Low	300	R78	R87	R94	R113	R122	R57
Medium	475	R124	R138	R149	R178	R194	R90
High	1000	R260	R290	R314	R376	R408	190

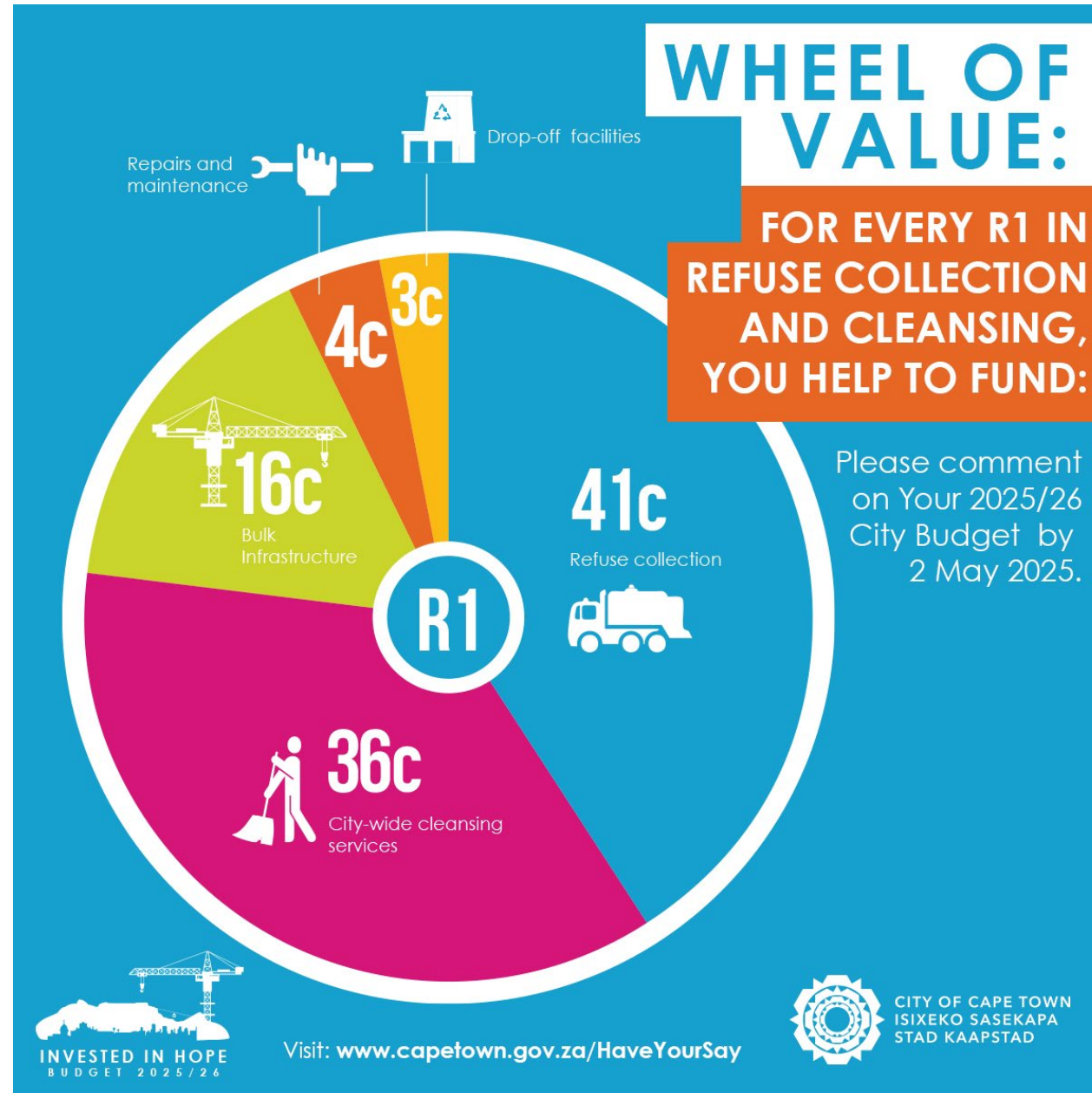
Rand savings experienced by Eskom customers over 5 year period

Benefit of not Contributing to Rates : Annually							
Usage Category	Units: kwh	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Low	300	R937	R1 043	R1 131	R1 353	R1 467	R685
Medium	475	R1 483	R1 652	R1 791	R2 141	R2 323	R1 085
High	1000	R3 122	R3 478	R3 770	R4 508	R4 891	R2 284

Annual savings experienced by Eskom customers over 5 year period



Refuse and Cleansing Wheel of Value





2025/26 Proposed Refuse Removal Tariffs

Service	2024/25 EXCL. VAT	2025/26 EXCL. VAT
	R	R
Account to residential property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	166.26	178.52

What does the Refuse services provide?

Waste management services to all

General cleanliness in the city's streets and public spaces, including beaches, rivers and canal banks

Clearing of illegally dumped waste

Reducing waste to landfills through recycling initiatives

Prevention of waste and pollution

Free and subsidised services to the indigent



Refuse Tariff Increase

Overall Refuse Tariff Increase of **7.36%**



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2025/26 Proposed City-wide Cleaning tariff

Property value bands	R' Per month excl. VAT
R1-R500k	-
R500,001 to R600k	4.12
R600,001 to R750k	12.79
R750,001 to R1m	26.70
R1,000,001 to R1,25m	44.79
R1,250,001 to R1,5m	62.42
R1,500,001m to R1,75m	93.61
R1,750,001 to R2m	110.17
R2,000,001 to R2,25m	152.35
R2,250,001 to R2,5m	175.20
R2,500,001 to R2,75m	210.24
R2,750,001 to R3m	248.09
R3,000,001 to R3,25m	285.30
R3,250,001 to R3,5m	313.83
R3,500,001 to R4m	360.91
R4,000,001 to R4,5m	415.04
R4,500,001 to R5m	477.30
R5,000,001 to R5,5m	548.89
R5,500,001 to R7,5m	664.16
R7,500,001 to R10m	896.62
R10,000,001 to R15m	1,300.10
R15,000,001 to R25m	2,080.16
R25,000,001 to R50m	2,600.20
R50,000,001 to R100m	5,460.41
R100,000,001 Plus	12,012.91

What the City – Wide Cleaning tariff offers?

Picking of litter
and beach
cleaning
ensuring a
clean
environment

Provision of
drop off
facilities for,
e.g. building
waste &
recycling

Provide
street
cleaning
services

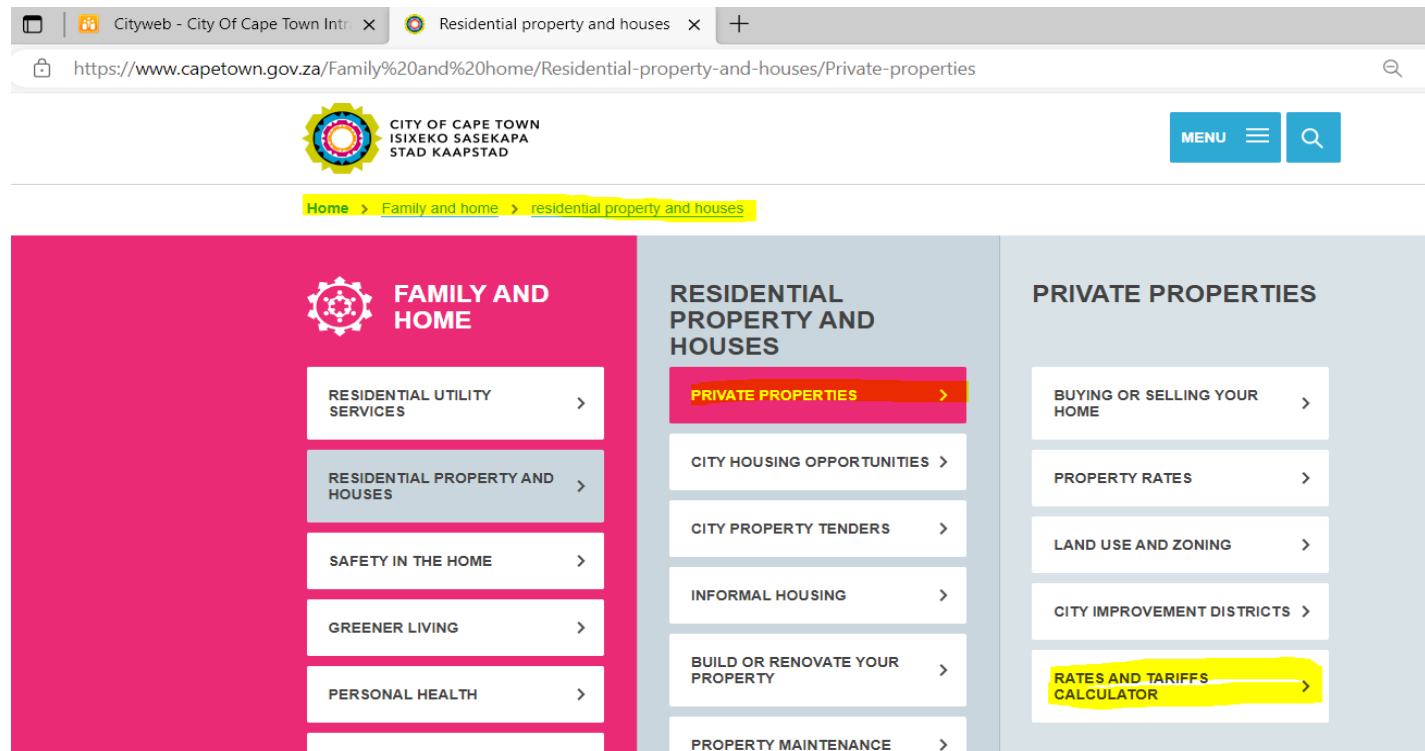
Tariff
considering
equity,
affordability and
fairness

Free and
subsidised
services to the
indigent

*Reduction in Energy cost will cushion the
impact of the tariff*

Municipal Bill Calculation

A **Rates and Tariffs calculator** will be made available to the public which will allow customers to capture their 2024/25 municipal bill details to estimate the 2025/26 expected monthly bill. Navigation to website shown below. Or visit www.capetown.gov.za landing page – Budget 2025/26 trending box



Subcouncil 4



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- ❑ Operating and Capital ward allocations
- ❑ Operating subcouncils allocations
- ❑ Capital projects per subcouncil

Proposed Capital projects, Ward Allocations and Subcouncil Allocations within Subcouncil area

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Athena Court Park - Upgrade	340 000	0	0
Community Clean Up - Ward 25	150 000	0	0
Pan Crescent Park - Upgrade	220 000	0	0
Park Buddies - Ward 25	150 000	0	0
Uitsig Sports Ground - Soccer Goalposts	140 000	0	0
Active Kids Programme - Ward 26	100 000	0	0
Active Seniors Programmes - Ward 26	100 000	0	0
Cleaning Operations Overtime - Ward 26	100 000	0	0
Employ Field Workers - Ward 26	100 000	100 000	0
Horticultural Maintenance - Ward 26	130 000	0	0



Proposed Capital projects, Ward Allocations and Subcouncil Allocations within Subcouncil area (2)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Law Enforcement Overtime - Ward 26	100 000	0	0
Leonsdale Library - Books & Materials	20 000	0	0
Market Space Development - Parow	6 378 587	0	0
Neighbourhood Watch Equipment - Ward 26	150 000	0	0
Traffic Calming - Goodwood	100 000	0	0
Youth League Afterschool Programme - Ward 26	100 000	0	0
Cleaning Operations Overtime - Ward 27	100 000	100 000	0
Employ Field Workers - Ward 27	100 000	100 000	0
Horticultural Maintenance - Ward 27	100 000	0	0



Proposed Capital projects, Ward Allocations and Subcouncil Allocations within Subcouncil area (3)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Law Enforcement Overtime - Ward 27	100 000	100 000	0
Neighbourhood Watch Equipment - Ward 27	25 000	0	0
Part Time Traffic Attendants - Ward 27	130 000	140 000	0
Rohm Park - Walkways	300 000	300 000	0
Traffic Calming - Ward 27	60 000	0	0
Transport Management Centre Install electrical power supply	0	0	1 300 000
Youth Development Programme - Ward 27	85 000	0	0
Active Kids Afterschool - Ward 28	50 000	0	0
Active Seniors Programmes - Ward 28	75 000	0	0



Proposed Capital projects, Ward Allocations and Subcouncil Allocations within Subcouncil area (4)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Community Clean Up - Avonwood	90 000	0	0
Community Clean Up - Springbok Place	90 000	0	0
Community Clean Up - The Range	90 000	0	0
Elsies River Infill Housing Project	40 849 521	0	0
Gender Awareness Programme - Ward 28	80 000	0	0
Holiday Programmes - Ward 28	50 000	0	0
Lanes Closures - Ruyterwacht	100 000	0	0
Neighbourhood Watch Equipment - Ward 28	50 000	0	0
Older Persons Programme - Ward 28	80 000	0	0



Proposed Capital projects, Ward Allocations and Subcouncil Allocations within Subcouncil area (5)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
People living with Disability Programme - Ward 28	80 000	0	0
Salberau Cottage Old Age Home - TVs	40 000	0	0
Traffic Calming - Salberau Avenue	75 000	0	0
Youth Development Programme - Ward 28	50 000	0	0
Area Cleaning - Subcouncil 4	1 995 000	1 995 000	0
Elsies River Integrated Recreation Facility	0	11 500 000	0
Market Space Development - Elsie's River	1 000 000	0	0
Market Space Development - Goodwood	4 500 000	0	0
Rehabilitation of Jan van Riebeeck Drive between Francie van Zyl and Epping Avenue, Parow	35 000 000	100 000	0



Area Central



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Additional capital projects in Area Central

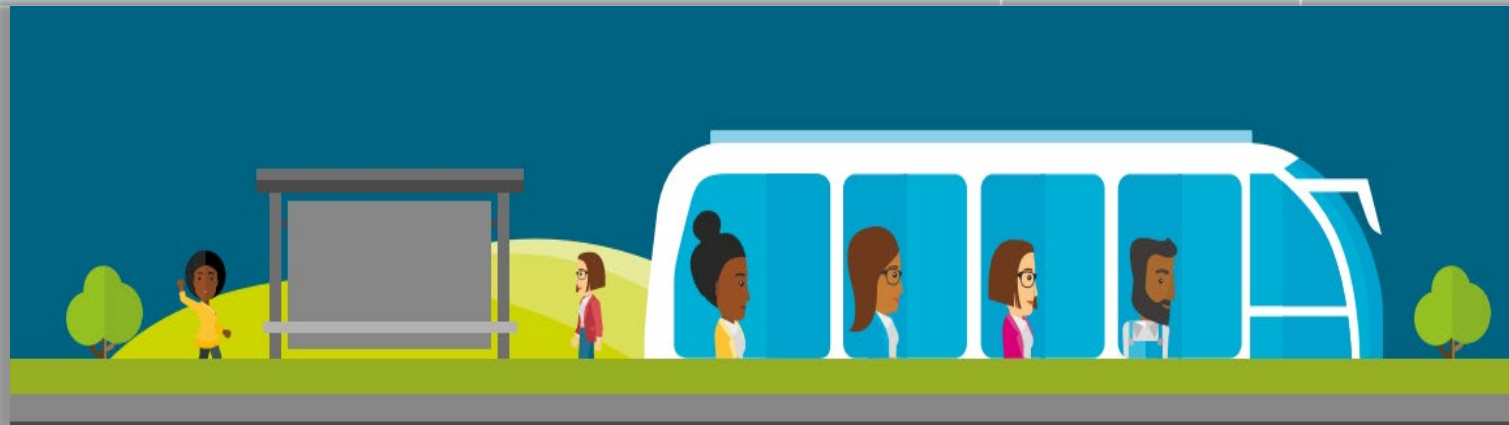
Additional capital projects in Area Central

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Backyarder Programme: Installation of prefab toilet structures - Area Central	3 000 000	6 875 000	7 562 500
Community Rentals Units Asset Upgrade Programme - Area Central	103 265 000	39 307 780	7 428 920
Electricity System Equipment Replacement (includes mini substations, transformers and ring main units) - Area Central	53 474 000	54 200 000	55 820 000
Electrification - Area Central	2 500 000	2 500 000	2 500 000
Informal Settlements Upgrades - Area Central	0	8 750 000	7 500 000
Informal Trading Infrastructure Upgrades - Area Central	3 500 000	2 250 000	0
Library Books, Periodicals & Subscriptions - Area Central	2 304 575	2 439 237	2 591 867
Major Upgrade of Housing Estate Offices - Area Central	1 000 000	800 000	200 000



Additional capital projects in Area Central (2)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Major Upgrade of Public Housing Depots - Area Central	1 000 000	1 000 000	700 000
Medium Voltage Infrastructure Refurbishment - Area Central	16 000 000	16 000 000	16 000 000
Medium Voltage System Infrastructure - Area Central	6 000 000	0	20 000 000
National Core Standards for Clinics (to comply with national health regulatory standards per existing clinics) - Area Central	10 400 000	4 000 000	500 000
Parow Station Pedestrian Arcade Upgrade	17 864 287	4 744 657	0
Road Rehabilitation: Bishop Lavis	27 955 000	50 000	0
Street Lighting - Area Central	9 500 000	12 500 000	11 000 000
Substation Fencing - Area Central	3 200 000	2 500 000	2 500 000

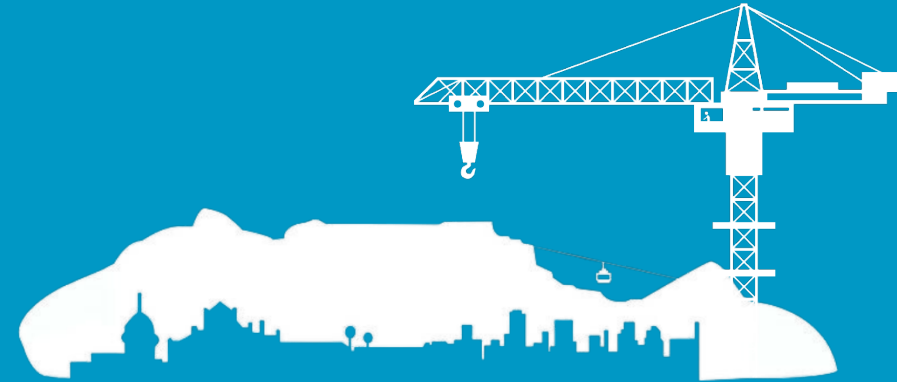


Additional capital projects in Area Central (3)

Project/Programme	Tabled Budget (Rand)		
	2025/26	2026/27	2027/28
Traffic Calming - Area Central	2 000 000	2 000 000	2 450 000
Upgrade of Security at Health Facilities - Area Central	500 000	450 000	550 000
Upgrade of Security at Subcouncil Buildings - Area Central	1 582 500	1 582 500	1 582 500
Upgrades to Clinics - Area Central	0	7 000 000	3 500 000
Urbanisation: Backyards/Informal Settlements Upgrade - Area Central	20 265 702	27 815 429	33 019 807
Water Management Dispensing - Area Central	3 000 000	3 630 000	3 993 000



Operating Budget Subcouncil 4



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Job Creation Opportunities

Operating Budget – Additional key focus areas

Job creation opportunities

Subcouncil	Estimated Budget	Estimated Job Opportunities
Subcouncil 4	1 792 234	158



Operating Budget - Additional key focus areas City Wide

- R2.04 billion Community Services and Health programmes which include:
 - Personal Primary Health Care Service in partnership with WCG - R1.9 billion
 - HIV/AIDS Programme - R326.3 million
 - Vaccine and extended TB Programme - R329.2 million
 - Nutrition - R5.9 million
 - People living on the street, Safe Spaces and additional bed space at shelters - R49.2 million (R154.4 million over the MTREF to address Homelessness across the City)
 - Arts & Culture Grants-in-Aid Partnership Agreements - R19.7 million
 - Seasonal Lifeguard at Beaches and public swimming pools - R41.2 million
 - Substance Abuse - R19.9 million
 - Women for Change - R4.5 million



Operating Budget - Additional key focus areas City Wide (2)

- R6.7 billion for Safety budget to ensure greater commitment to crime-fighting, by putting more boots on the ground and through new technology investment
- R766 million over the MTREF for the development of top structures for qualifying beneficiaries in terms of the National Housing Code
- R32.9 million for “no-cost transfers” of 2 500 rental units per year over the next three years
- R388 million over the MTREF for the Bus rapid transport expansion programme
- R2.6 billion over the MTREF for Road Maintenance & Upgrades (rehabs, major upgrades, pothole repairs)
- R284 million for Mayors Job Creation Programme and this will provide 30 000 job opportunities
- Social package increased from R4.9 billion to R5.2 billion for 2025/26 financial year



Operating Budget - Additional key focus areas City Wide (3)

Urban Waste Services:



Area	Collections	Informal Settlements	City-wide Cleaning		Disposal
			Area Cleaning	Drop-offs	
North	R459.1m	R51.8m	R749.7m	R69.9m	R384.2m
South	R432.4m	R89.8m	R409.6m	R36.8m	R202.1m
Central	R487.3m	R155.5m	R516.2m	R45.4m	R249.3m
East	R528m	R51.5m	R447.8m	R35.9m	R197.5m
TOTAL	R1.906bn	R349.7m	R2.124bn	R188.0m	R1.033bn

Comment until 2 May 2025
WE WOULD LOVE TO HEAR FROM YOU

Submit your comments by:

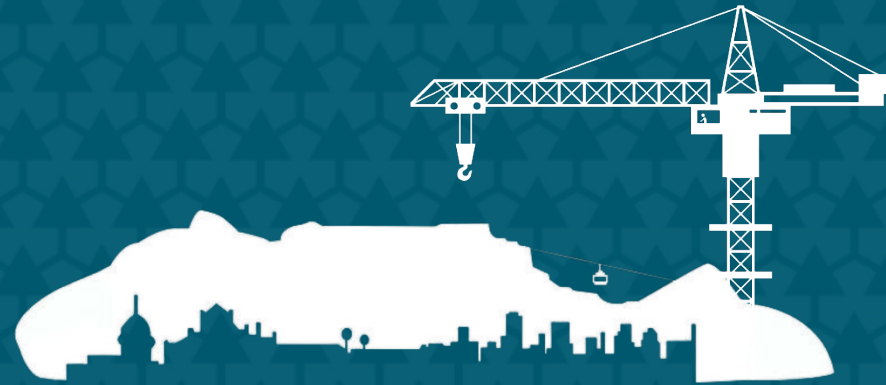
Email: Budget.Comments@capetown.gov.za
Online: www.capetown.gov.za/collaborate or
www.capetown.gov.za/HaveYourSay
Through your Subcouncil offices
Verbal comments: Phone 0800 212 176



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Thank you