



# CITY OF HOPE

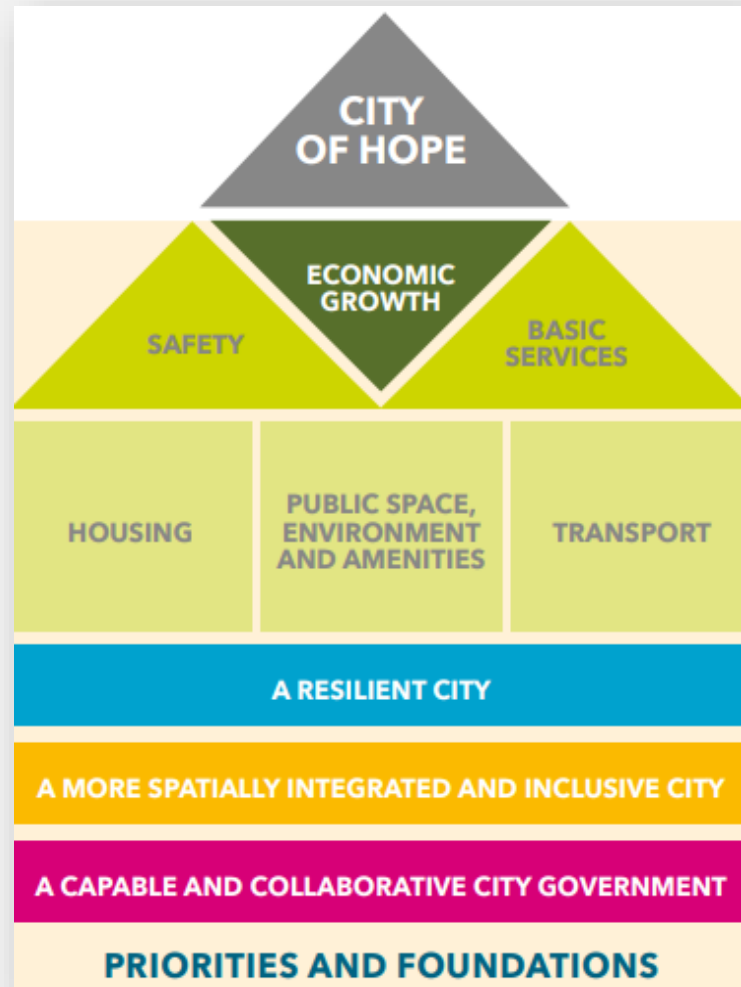
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Draft Budget  
comment before 30 April  
2026. Visit:  
[www.capetown.gov.za/collaborate](http://www.capetown.gov.za/collaborate)  
or  
[www.capetown.gov.za/HaveYourSay](http://www.capetown.gov.za/HaveYourSay)

# Total Budget – R87,79bn for 2026/27



## Capital Expenditure Budget

Spending of the **capital budget** is based on a three-year plan which includes land, community buildings, equipment, renewal and new roadways, water- and waste water infrastructures, etc.

**R13,03bn**

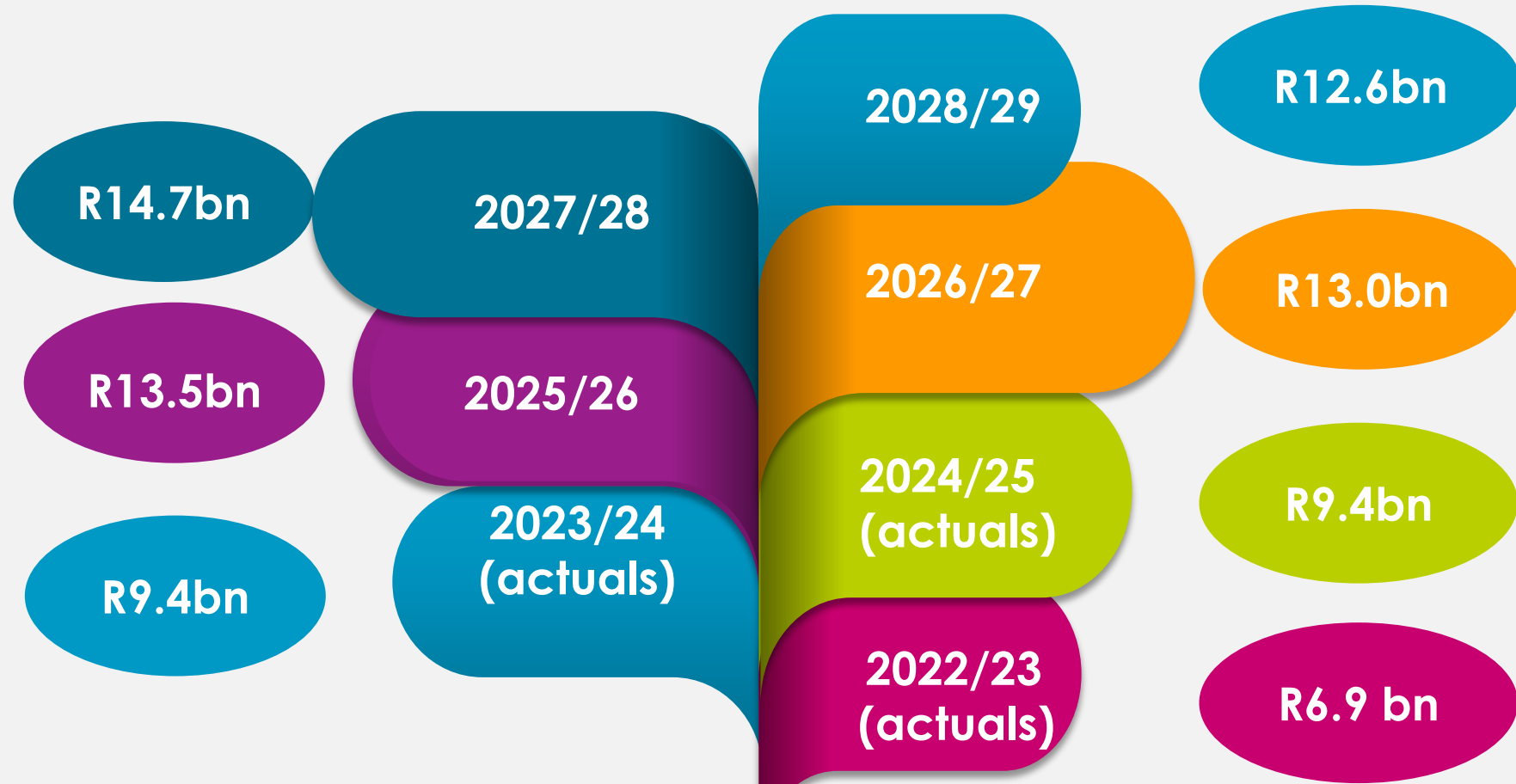


**R74,76bn**

## Operating expenditure Budget

Spending of the **operating budget** is for the City's day-to-day costs, delivering services such as safety & security, IRT bus services, maintenance of existing City infrastructure, etc.

# City's expansive Capital Investment

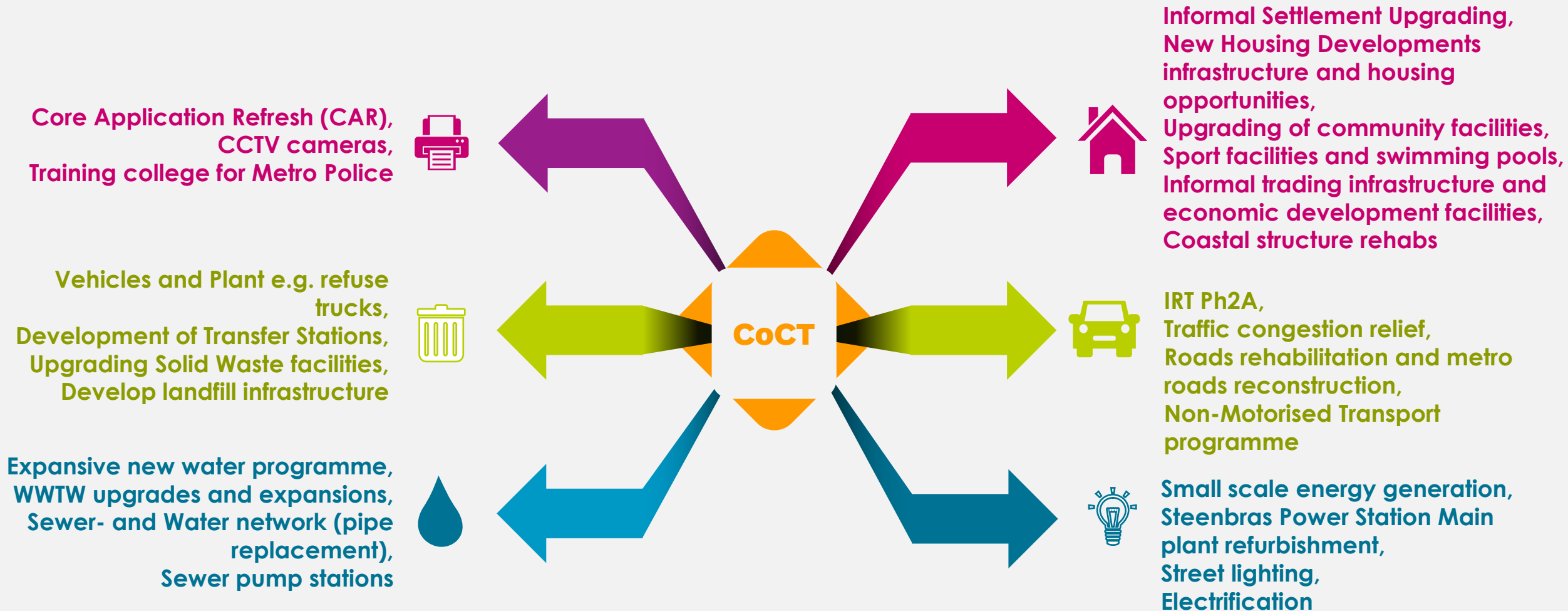


**Total Capital Investment over seven years:**

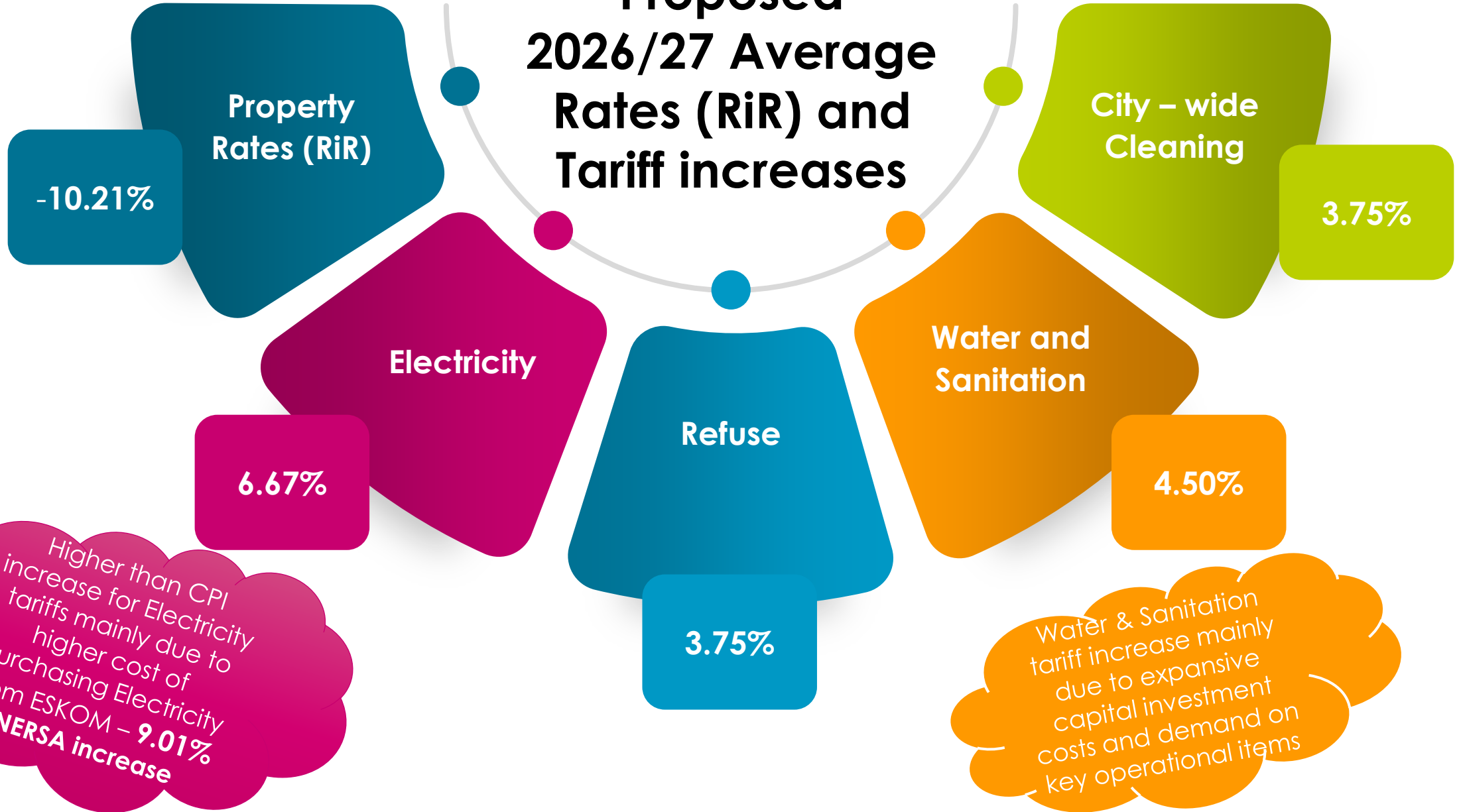
**R 79,5 bn**

**Invest for success, plan for growth!**

# Capital Budget – Focus Areas



# Proposed 2026/27 Average Rates (RiR) and Tariff increases



# Proposed Property Rates – Rate in the Rand (RiR)

Property Rates	2025/26	2026/27
Residential	0.007159	0.006428
Agricultural	0.001432	0.001286
Business & Commercial, Industrial, Mining, Organ of State & miscellaneous	0.016824	0.015106
Vacant Land	0.014318	0.012856
Public Benefit Organisation, Public Service Infrastructure, Social Housing & Specified religious purposes and Not for profit	0.001790	0.001607

- ❑ **Reduced rate-in-the-Rand** applied to mitigate increase in property values due to implementation of GV2025;
- ❑ Resulting in **60% of residential properties experiencing either a property rates decrease or no change in rates;**
- ❑ The **upper limit for residential reduction has been increased from R7 million to R8 million, with the reduction increasing from R450 000 to R500 000 (including the statutory reduction of R15 000).**



A **10.21% decrease** in the Residential Rate-in-the-Rand applied

# Proposed Water Tariffs (consumptive) - Level Water wise

What does Water services provide?

Unit: Per kl

Domestic Full & Domestic Cluster – Non Indigent	2025/26 Excl. Vat	2026/27 Excl. Vat	Increase R'	Increase %
Step 1 ( $0 \leq 6k\ell$ )	R 21.15	R 22.10	<b>R0.95</b>	4.5%
Step 2 ( $>6 \leq 10.5k\ell$ )	R 29.06	R 30.37	<b>R1.31</b>	4.5%
Step 3 ( $>10.5 < 35k\ell$ )	R 43.44	R 45.39	<b>R1.95</b>	4.5%
Step 4 ( $>35k\ell$ )	R 83.80	R 87.57	<b>R3.77</b>	4.5%

Investment in new Water sources to ensure Water Security

Provision of clean and safe drinking water at your property

Free water to indigent communities

Operating & maintenance of Water infrastructure

Investment into replacement and upgrading of current water network

# Proposed Water Tariffs - Level Water wise (Fixed charge)



2025/26 – Fixed charge based on Property Value bands (GV2022)		
Property Value bands (Lower Band) R'	Property Value bands (Upper Band) R'	2025/26 Excl. VAT (R')
0	500 000	0.00
500 001	750 000	54.68
750 001	1 000 000	54.68
1 000 001	1 250 000	62.88
1 250 001	1 500 000	72.18
1 500 001	1 750 000	72.18
1 750 001	2 000 000	77.10
2 000 001	2 250 000	81.47
2 250 001	2 500 000	86.12
2 500 001	2 750 000	104.17
2 750 001	3 000 000	121.94
3 000 001	3 250 000	138.34
3 250 001	3 500 000	154.74
3 500 001	4 000 000	176.62
4 000 001	4 500 000	198.49
4 500 001	5 000 000	214.89
5 000 001	5 500 000	247.70
5 500 001	7 500 000	284.34
7 500 001	10 000 000	328.08
10 000 001	15 000 000	371.82
15 000 001	25 000 000	415.57
25 000 001	50 000 000	568.67
50 000 001	100 000 000	612.42
100 000 001	>100 000 001	656.16



Changes in property values stemming from GV2025

necessitated:

- ❑ Alignment of property value bands; and
- ❑ Property value qualifying for indigent relief increased to R620k

2026/27 – Fixed charge based on Property Value bands (GV2025)		
Property Value bands (Lower Band) R'	Property Value bands (Upper Band) R'	2026/27 Excl. VAT (R')
1	620 000	0.00
620 001	890 000	57.14
890 001	1 200 000	57.14
1 200 001	1 450 000	65.71
1 450 001	1 730 000	75.43
1 730 001	2 000 000	75.43
2 000 001	2 350 000	80.57
2 350 001	2 580 000	85.14
2 580 001	2 840 000	90.00
2 840 001	3 200 000	108.86
3 200 001	3 500 000	127.43
3 500 001	3 800 000	144.57
3 800 001	4 100 000	161.70
4 100 001	4 800 000	184.57
4 800 001	5 400 000	207.42
5 400 001	6 100 000	224.56
6 100 001	6 700 000	258.85
6 700 001	9 200 000	297.14
9 200 001	12 200 000	342.84
12 200 001	18 100 000	388.55
18 100 001	29 300 000	434.27
29 300 001	55 600 000	594.26
55 600 001	121 000 000	639.98
121 000 001	>121 000 001	685.69

# Proposed Sanitation (consumptive) Tariffs – Level Water wise

What does Sanitation services provide?

Unit: Per kl

Domestic Full & Domestic Cluster – Non Indigent	2025/26 Excl. Vat	2026/27 Excl. Vat	Increase R'	Increase %
Step 1 (0 ≤ 4.2 kl)	R 15.46	R 16.16	R0.70	4.5%
Step 2 (>4.2 ≤ 7.35 kl)	R 21.24	R 22.20	R0.96	4.5%
Step 3 (>7.35 ≤ 24.5 kl)	R 32.80	R 34.28	R1.48	4.5%
Step 4 (>24.5 ≤ 35 kl)	R 53.95	R 56.38	R2.43	4.5%



# 2026/27 Proposed Sanitation Tariffs (Fixed charge)



## 2025/26 – Fixed charge based on Property Value bands (GV 2022)

Property Value bands (Lower Band) R'	Property Value bands (Upper Band) R'	2025/26 Excl. VAT (R')
0	500 000	0.00
500 001	750 000	25.72
750 001	1 000 000	25.72
1 000 001	1 250 000	30.86
1 250 001	1 500 000	34.29
1 500 001	1 750 000	34.29
1 750 001	2 000 000	37.72
2 000 001	2 250 000	41.15
2 250 001	2 500 000	44.58
2 500 001	2 750 000	54.87
2 750 001	3 000 000	65.16
3 000 001	3 250 000	82.30
3 250 001	3 500 000	100.31
3 500 001	4 000 000	118.31
4 000 001	4 500 000	136.32
4 500 001	5 000 000	154.32
5 000 001	5 500 000	172.32
5 500 001	7 500 000	187.76
7 500 001	10 000 000	205.76
10 000 001	15 000 000	226.34
15 000 001	25 000 000	246.91
25 000 001	50 000 000	267.49
50 000 001	100 000 000	288.06
100 000 001	>100 000 001	308.64



Changes in property values stemming from GV2025 necessitated:

- Alignment of property value bands; and
- Property value qualifying for **indigent relief increased to R620k**

## 2026/27 – Fixed charge based on Property Value bands (GV 2025)

Property Value bands (Lower Band) R'	Property Value bands (Upper Band) R'	2026/27 Excl. VAT (R')
<b>1</b>	<b>620 000</b>	<b>0.00</b>
620 001	890 000	26.88
890 001	1 200 000	26.88
1 200 001	1 450 000	32.25
1 450 001	1 730 000	35.84
1 730 001	2 000 000	35.84
2 000 001	2 350 000	39.42
2 350 001	2 580 000	43.00
2 580 001	2 840 000	46.59
2 840 001	3 200 000	57.34
3 200 001	3 500 000	68.09
3 500 001	3 800 000	86.01
3 800 001	4 100 000	104.82
4 100 001	4 800 000	123.64
4 800 001	5 400 000	142.45
5 400 001	6 100 000	161.26
6 100 001	6 700 000	180.08
6 700 001	9 200 000	196.21
9 200 001	12 200 000	215.02
12 200 001	18 100 000	236.52
18 100 001	29 300 000	258.02
29 300 001	55 600 000	279.52
55 600 001	121 000 000	301.02
121 000 001	>121 000 001	322.53

# 2026/27 Proposed Electricity Tariffs

What does Energy services provide?

Category	Unit	Steps	Current 2025/26 c/kWh (excl VAT)	Proposed 2026/27 c/kWh (excl VAT)	% change
Lifeline including FBE portion	Energy Charge (c/kWh)	0-600kWh	226.53	246.12	8.65%
		600.1+ kWh	226.53	246.12	8.65%
Domestic	Service Charge (R)	Per Day	1.97	2.14	8.63%
	Energy Charge (c/kWh)	0-600kWh	339.95	359.82	5.84%
		600.1+ kWh	404.13	429.48	6.27%
Home User	Service Charge (R)	Per Month	339.89	368.96	8.55%
	Energy Charge (c/kWh)	0-600kWh	293.62	309.52	5.42%
		600.1+ kWh	384.23	407.88	6.16%

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

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

Credit meter; and/or Property value =/> R1m





# 2026/27 Proposed Refuse Removal Tariffs

Service	2025/26	2026/27	Increase	Increase
	Excl. VAT	Excl. VAT	R	%
Account to residential property owner. Basic container service (Weekly service is 1x 240L Black lid container per week)	R 178.52	R 185.22	R6.70	3.75%

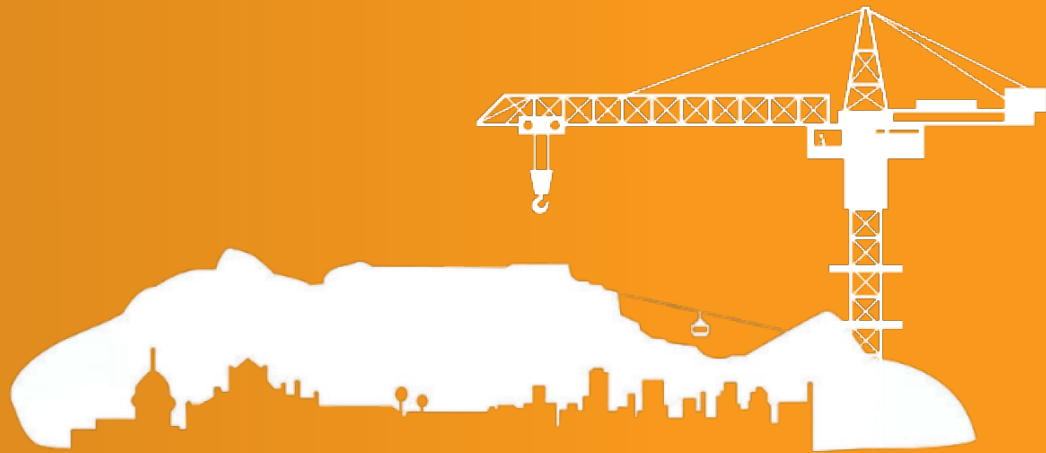
What does the Refuse services provide?



## Refuse Tariff Increase

Overall Refuse Tariff Increase of **3.75%**

# Relief and social package



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# City's Relief package shift - Based on property value

100% Relief shifts			
Service	2025/26 property value		Proposed 2026/27 value
Refuse	R450 000	↑	R580 000
City – wide Cleaning	R500 000	↑	R620 000
Water & Sanitation	R500 000	↑	R620 000
Property Rates *	R450 000	↑	R500 000

\* Residential properties with property values up to **and including R8 million, up from R7 million, will now get the first R500k (R485k council determined reduction and R15k impermissible), up from R450k of property value, Rates-free.**

# Social package - based on property value

## 2026/27 PROPOSED REBATES/RELIEF

Property Value	Refuse Removal Charges	City – Wide Cleaning	Water	Sanitation	Property Rates	Electricity Lifeline Tariff: <250kWh	Electricity Lifeline Tariff: >250kWh <450kWh
R500 000 and below	100%	100%	100%	100%	100%	60kWh free	25kWh free
R500 001 to R580 000	100%	100%	100%	100%			
R580 001 to R620 000	50%	100%	100%	100%			
R620 001 to R640 000	50%	R34.78 excl. VAT					
R640 001 to R830 000	25%	R34.78 excl. VAT					
R830 001 to R1 200 000		R34.78 excl. VAT					
R1 200 001 to R1 450 000		R17.39 excl. VAT					

# Other rebates – Proposed for 2026/27

## Targeted approach

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 **R500 000\*** and below;
- ❑ Above rebate also applicable to Property Management and Housing debtors.



## Pensioners rebate

Household Income	Rebate
R0 – R10 000	100%
R10 001 – R14 000	90%
R14 001 – R16 000	80%
R16 001 – R18 000	70%
R18 001 – R19 000	60%
R19 001 – R20 000	50%
R20 001 – R21 000	40%
R21 001 – R22 000	30%
R22 001 – R24 000	20%
R24 001 – R27 000	10%

**Note: All pensioners to re apply for benefits with GV2025 implementation**



100% property rates rebate

10.5kl free sanitation

60kWh free electricity if consumption does not exceed 250kWh

100% refuse removal rebate

100% City-wide cleaning rebate

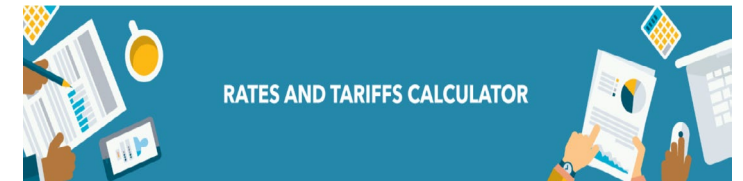
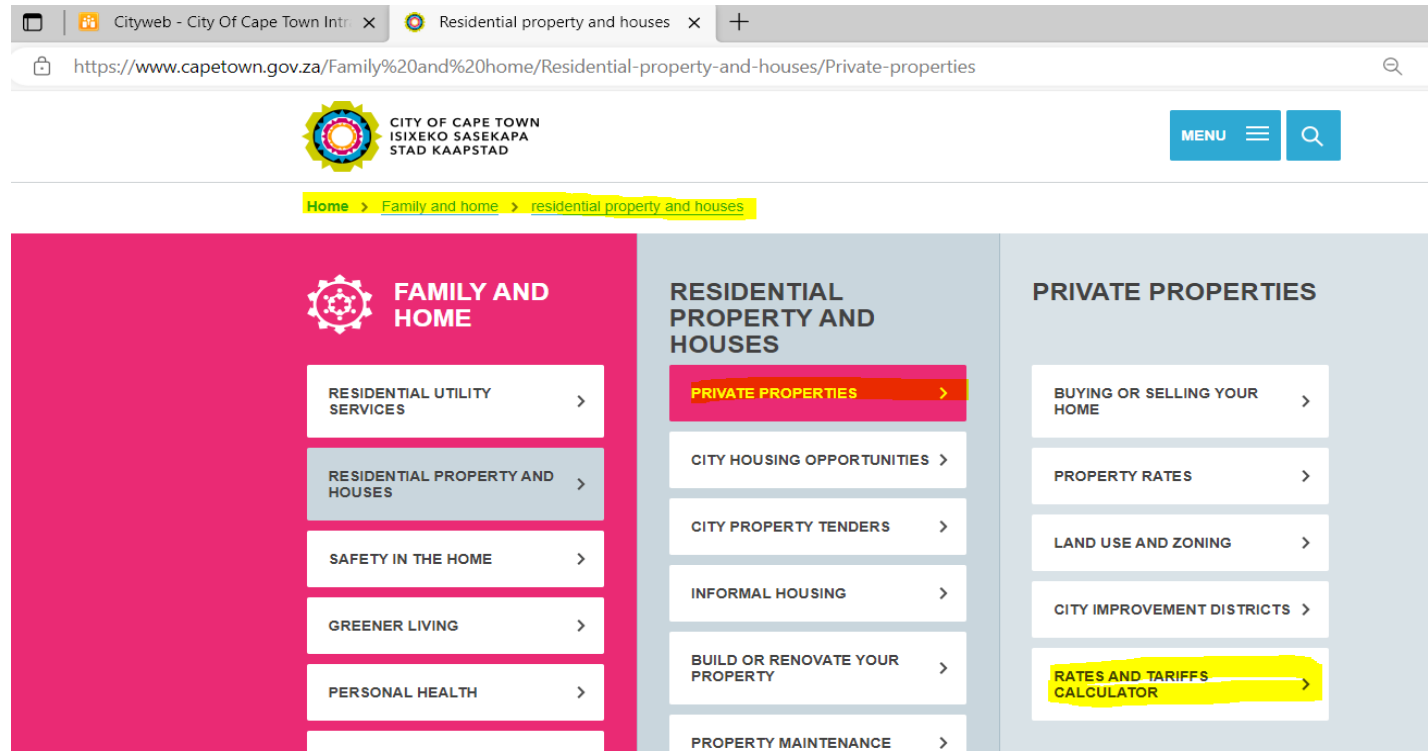
25kWh free electricity if consumption is between 250kWh and 450kWh

15kl free water

Relief Property valued at R500 000 or below;  
or Household income of R7 500 or below will receive

# Municipal Bill Calculation

A **Rates and Tariffs calculator** is available which allows customers to capture their 2025/26 municipal bill details to estimate the 2026/27 expected monthly bill. Navigation to website shown below. Or visit [www.capetown.gov.za](http://www.capetown.gov.za) landing page and follow the following prompts:



**Comment until 30 April 2026**  
**WE WOULD LOVE TO HEAR FROM YOU**

Please see [www.capetown.gov.za](http://www.capetown.gov.za) for the in-person meeting schedule.

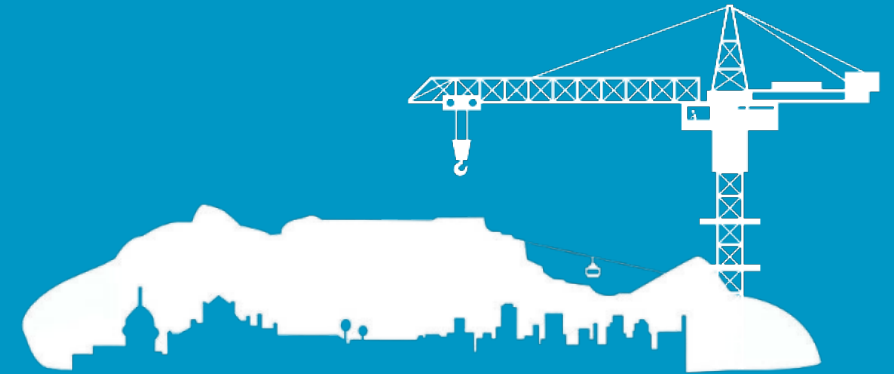
**Submit your comments by:**

**Email: [Budget.Comments@capetown.gov.za](mailto:Budget.Comments@capetown.gov.za)**

**Online: [www.capetown.gov.za/collaborate](http://www.capetown.gov.za/collaborate) or  
[www.capetown.gov.za/HaveYourSay](http://www.capetown.gov.za/HaveYourSay)**

**Through your Subcouncil offices**

**Verbal comments: Phone 0800 212 176**



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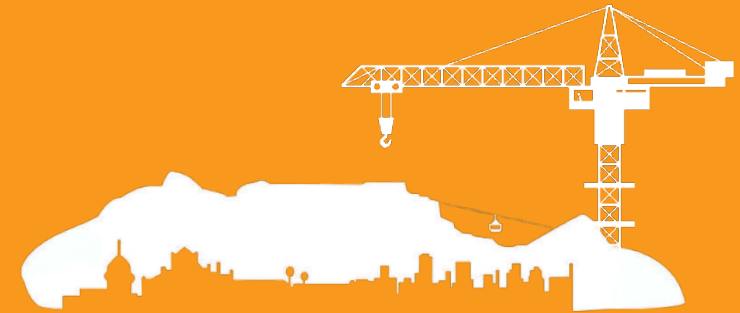


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**Thank you to all our customers for their municipal payments.**

**With your help, we are able to pay for service delivery.**

**The approximately 98% accounts payment ratio shows the trust our residents place in our service delivery work and we will continue to do better.**



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