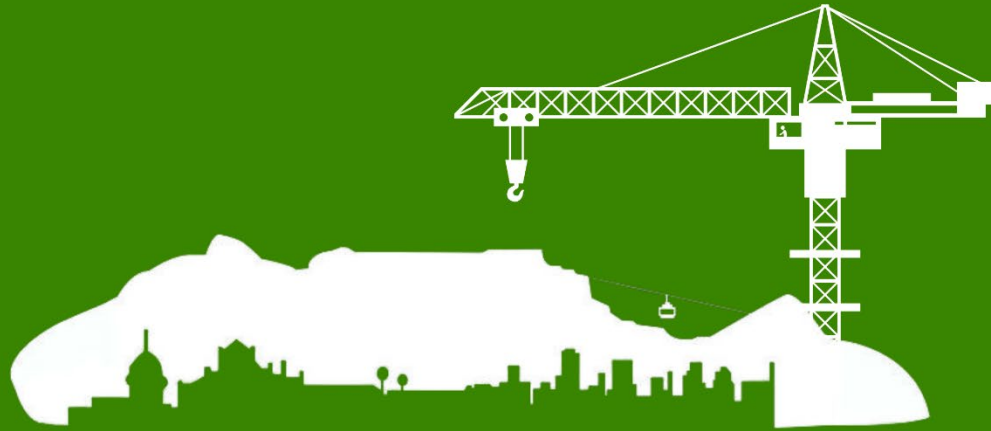




**INVESTED IN HOPE**

B U D G E T 2 0 2 5 / 2 6

## **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



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B U D G E T 2 0 2 5 / 2 6

# 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

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

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



IRT Ph2A,  
Congestion relief,  
Road upgrades and reconstruction

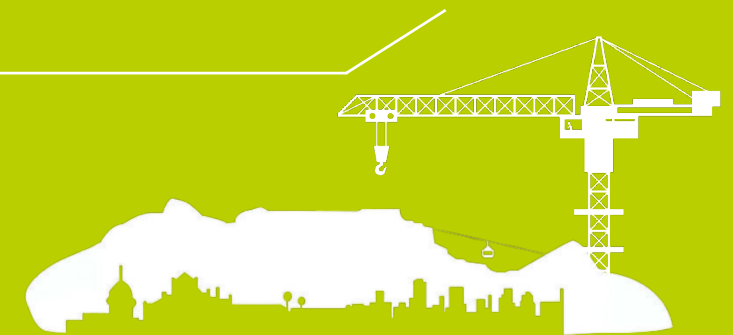
Expansive Water Programme:  
WWTW upgrades and expansions,  
Sewer- and Water network(pipe replacement),  
Pump stations

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



# Social package R5,2 billion to help

---



# 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*

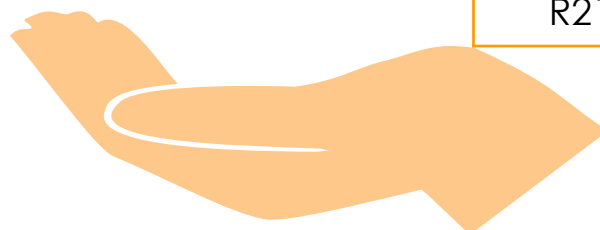
## Rebates based on Household Income

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

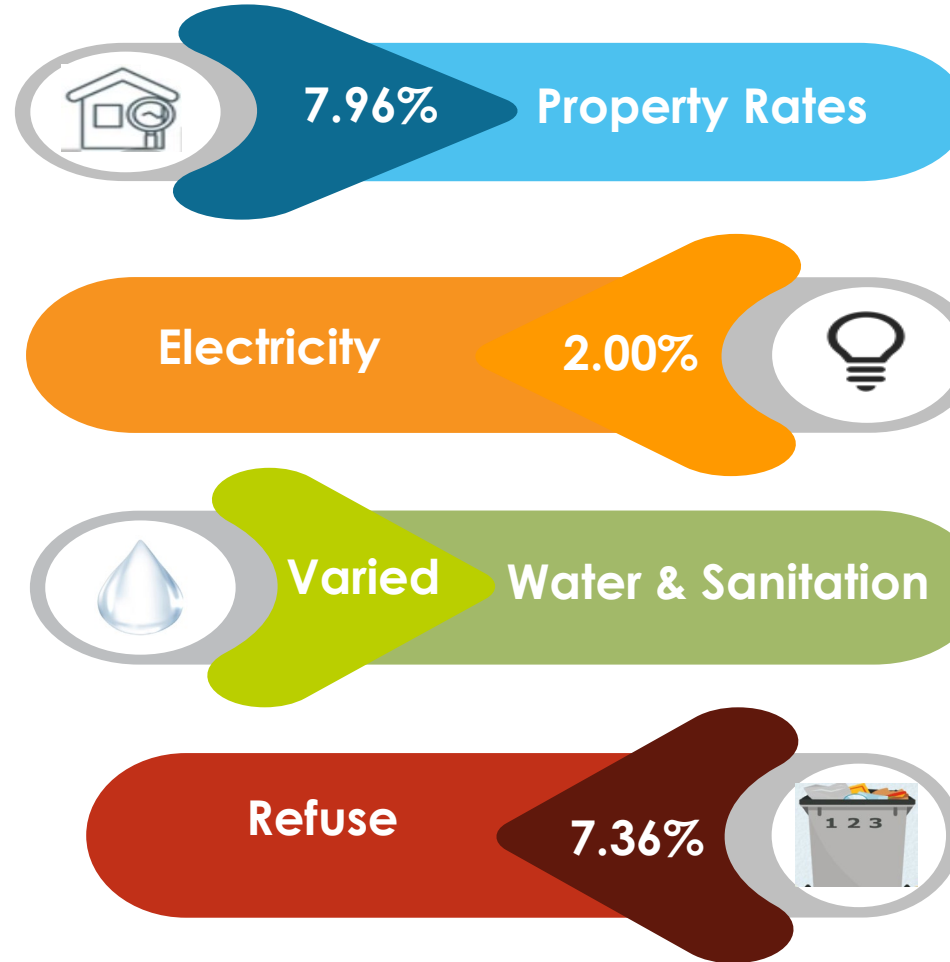
- Benefits applicable to households earning R7 500 and below is the same as if the property is deemed to be R450 000 and below

## 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



# 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

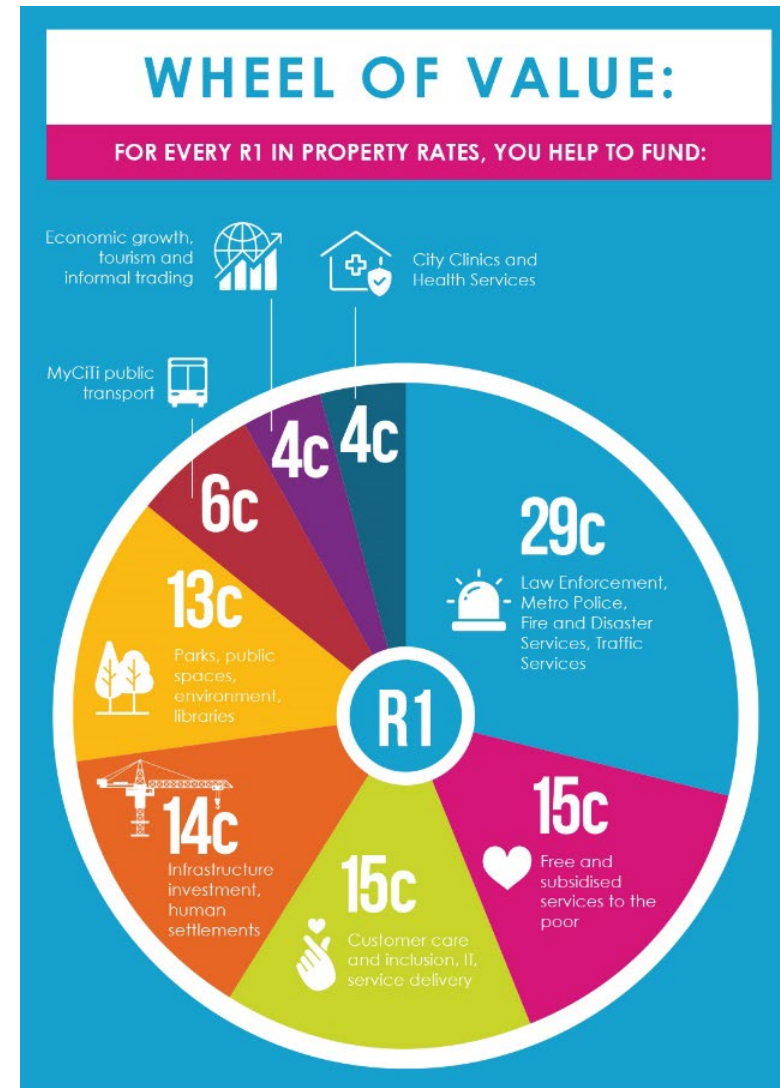
**Average tariff increase only 2% .** Service and Wires Charge for the Domestic category and Recovery of service and network charges via fixed cost.

### 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.

Visit: [www.capetown.gov.za/HaveYourSay](http://www.capetown.gov.za/HaveYourSay)



# Proposed Property Rates – rate in the rand Cape Town continues to have lowest property rates in South Africa

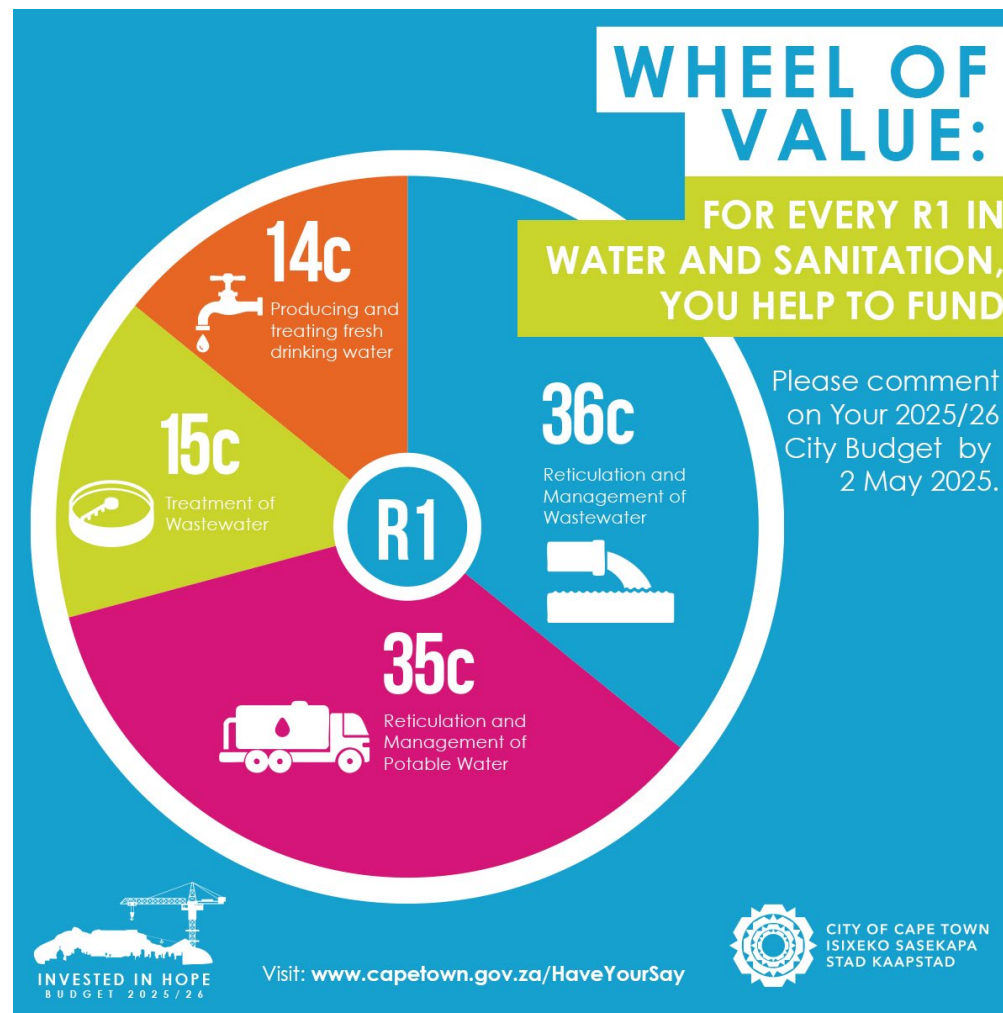
| Property Rates                                                                                                                                         | 2024/25  | 2025/26  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| 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<br>DOMESTIC CLUSTER –<br>NON-INDIGENT | 2024/25<br>EXCL. VAT | 2025/26<br>EXCL. VAT |
|---------------------------------------------------------|----------------------|----------------------|
| Step 1 ( $0 \leq 6kl$ )                                 | R 19.59              | R 21.15              |
| Step 2 ( $>6 \leq 10.5kl$ )                             | R 26.92              | R 29.06              |
| Step 3 ( $>10.5 \leq 35kl$ )                            | R 36.58              | R 43.44              |
| Step 4 ( $>35kl$ )                                      | R 67.50              | R 83.80              |

## 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

## 2025/26 – Fixed charge based on Property Value bands

| Property Value bands<br>(Upper Band)<br>R' | 2025/26<br>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                    |

# Proposed Sanitation Tariffs – Level Water-wise

| DOMESTIC FULL &<br>DOMESTIC CLUSTER -<br>NON INDIGENT | 2024/25 EXCL.<br>VAT | 2025/26<br>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

Removal of wastewater from your property

Operation and maintenance of sanitation infrastructure

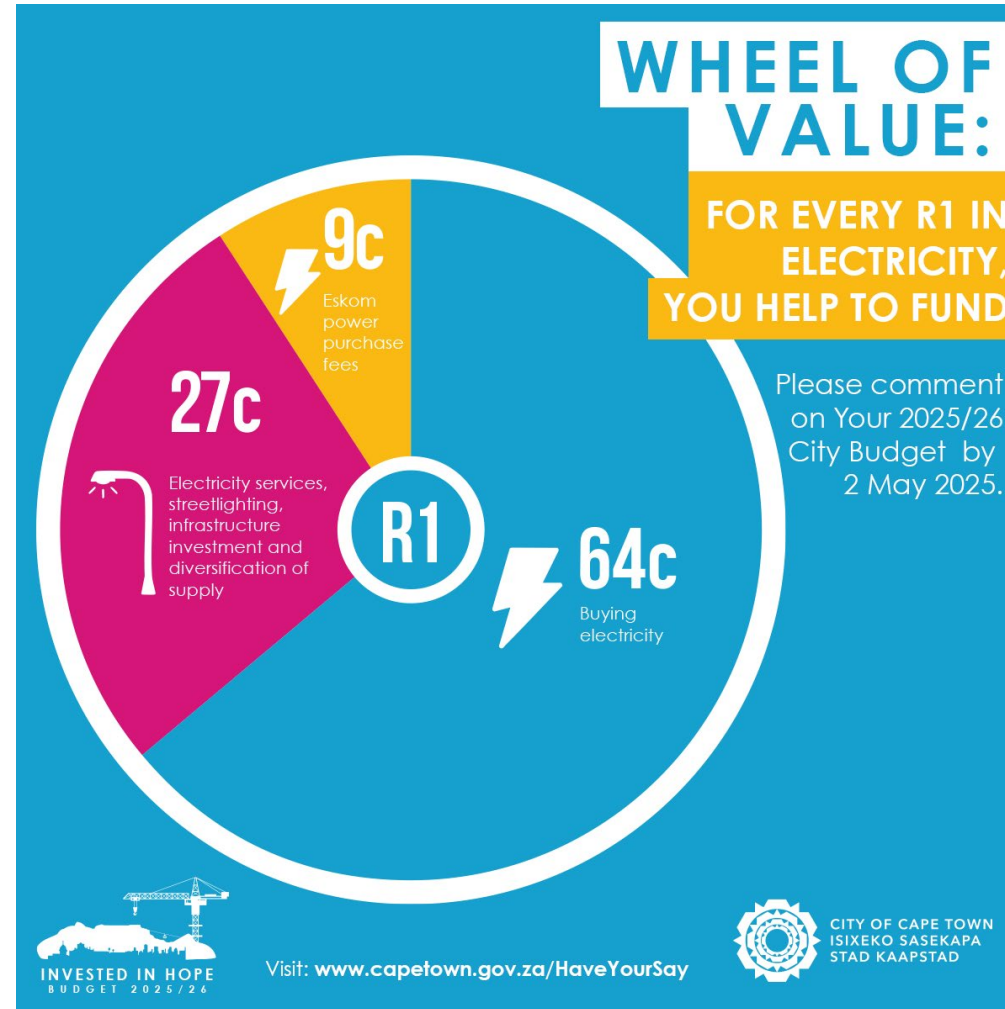
Investment into upgrading and replacement of current sewer facilities, networks and pump stations to prevent pollution



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| 2025/26 – Fixed charge based on<br>Property Value bands |                           |
|---------------------------------------------------------|---------------------------|
| Property Value<br>bands<br>(Upper Band)<br>R'           | 2025/26<br>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



# 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 =/>  
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

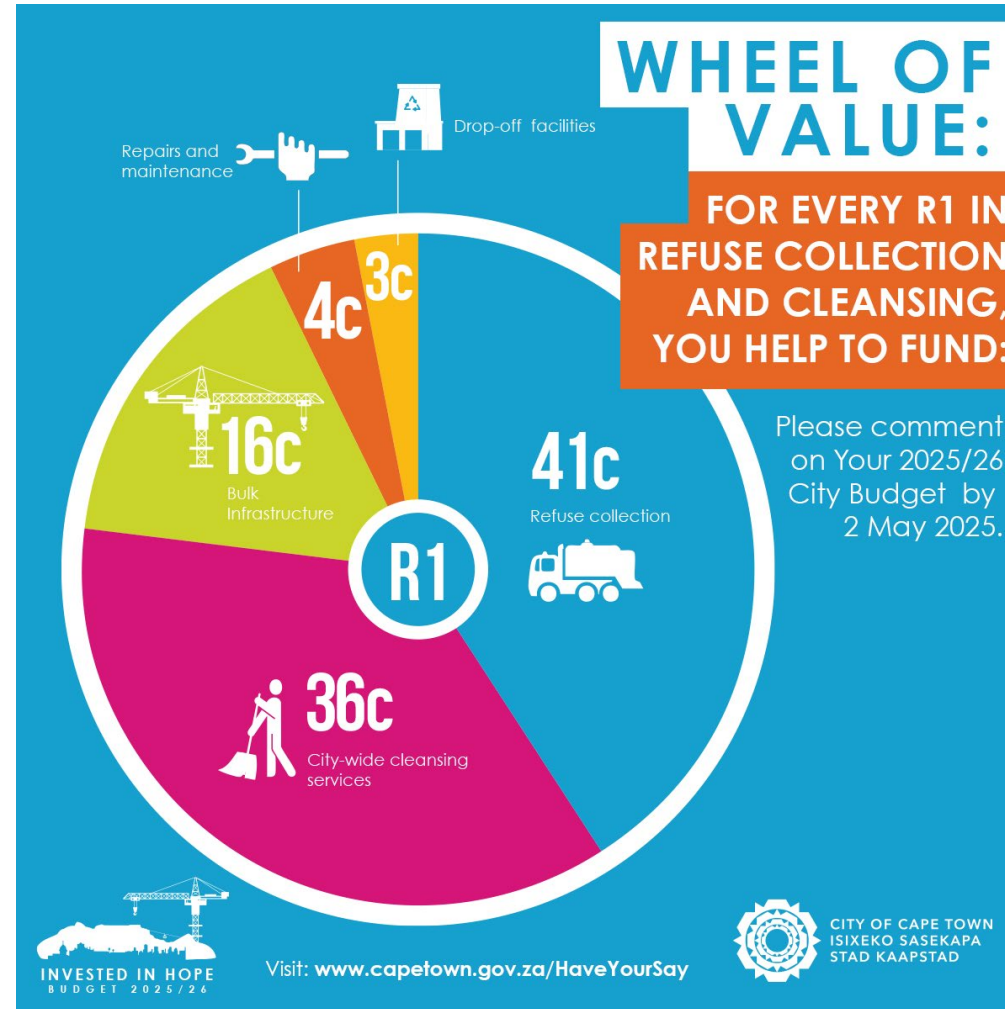
| Benefit of not Contributing to Rates: Monthly |            |         |         |         |         |         |         |
|-----------------------------------------------|------------|---------|---------|---------|---------|---------|---------|
| Usage Category                                | Units: 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<br>EXCL. VAT | 2025/26<br>EXCL. VAT |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                                 | R                    | R                    |
| Account to residential property owner.<br>Basic container service (Weekly service<br>is 1x 240L Black lid container per week.). | 166.26               | 178.52               |

What does the Refuse services provide?



## 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<br>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

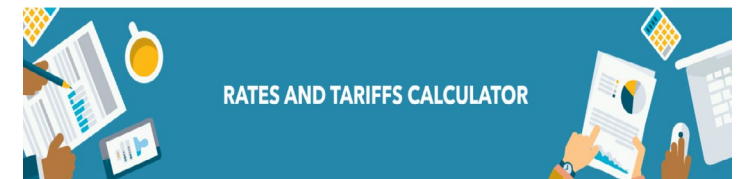
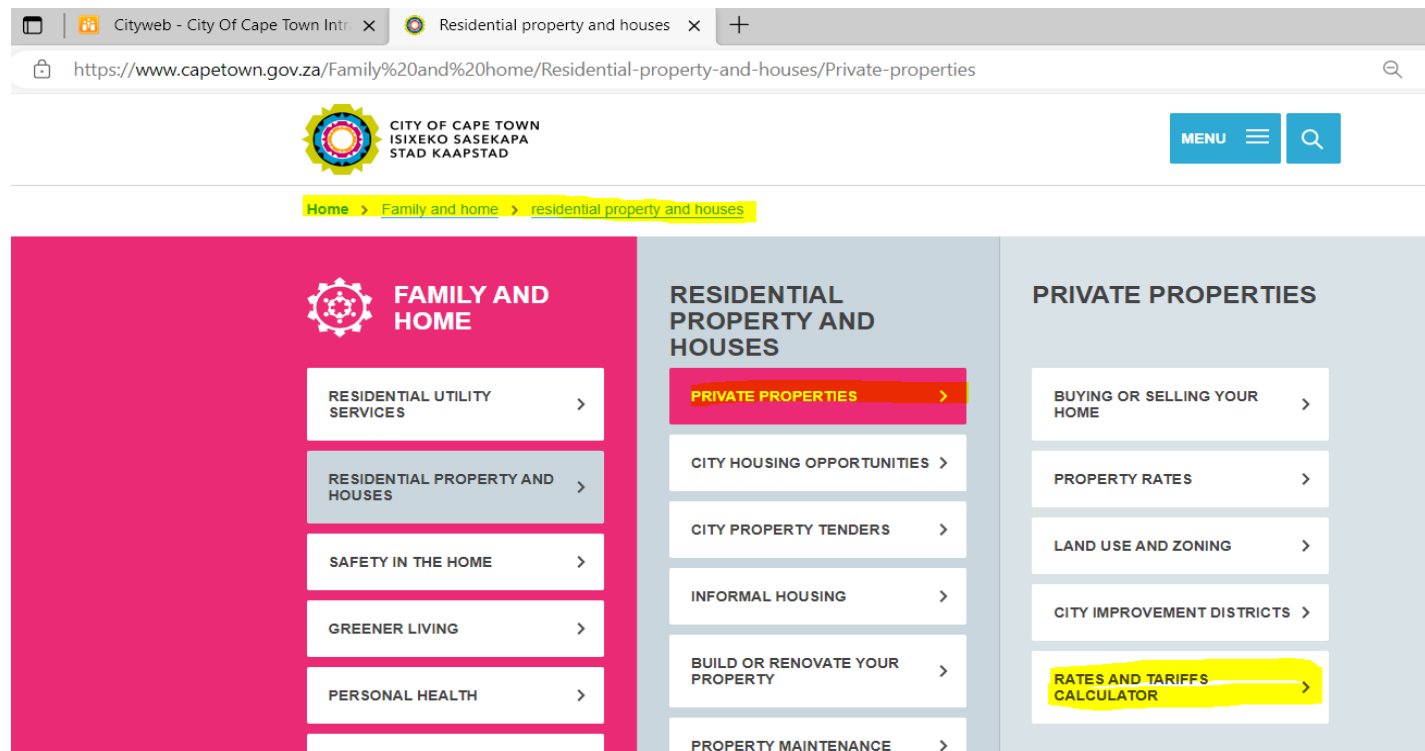
Tariff  
considering  
equity,  
affordability and  
fairness

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](https://www.capetown.gov.za) landing page – Budget 2025/26 trending box



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

**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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