

**2026/2027 IDP and
2026/2027-2028/2029
Municipal Budget**



EKURHULENI IDP AND BUDGET



LOGISTICS

1. Opening and Welcome
2. Purpose of the meeting
3. Draft IDP and Draft Budget Presentation
4. Discussions
5. Closure



Meeting Purpose

To present to the community of the City of Ekurhuleni Metropolitan Municipality the following:

The City of Ekurhuleni Draft 2026/2027 Amended Integrated Development plan (IDP)
and

The City of Ekurhuleni Draft 2026/2027 -2028/2029 Medium Term Revenue and Expenditure Framework (MTREF)



Section 1

Public Comments Process

**Draft 2026/2027-Integrated Development Plan
and
Draft 2026/2027-2028/2029 Medium Term Revenue Expenditure
Framework (MTREF)**



Legislative Context: Community and Stakeholder Participation

Section 16 (1) which states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose;

(a) encourage, and create conditions for, the **local community to participate** in the affairs of the municipality, including in:

- (i) **the preparation, implementation and review of its integrated development plan** in terms of Chapter 5.
- (ii) the establishment, implementation and review of its performance management system in terms of Chapter 6,
- (iii) the monitoring and review of its performance, including the outcomes and impact of such performance,
- (iv) **the preparation of its budget**, and
- (v) strategic decisions relating to the provision of municipal services in terms of Chapter 8.

(b) contribute to building the capacity of;

- (i) the local community to enable it to participate in the affairs of the municipality, and
- (ii) councillors and staff, to foster community participation, and

(c) use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing paragraphs (a) and (b).

Section 16 (2) states that subsection (1) must not be interpreted as permitting interference with a municipal councils right to govern and to exercise the executive and legislative authority of the municipality.

The Local Government Municipal Finance Management Act 56 of 2003 in Section (22)(a) requires the accounting officer of a municipality to immediately after an annual budget is tabled in a municipal council

(a) in accordance with Chapter 4 of the Municipal Systems Act

(i) **make public the annual budget.**

(ii) **invite the local community to submit representations** in connection with the budget; and

(b) submit the annual budget

(i) to the National Treasury and the relevant provincial treasury,

(ii) to national or provincial organs of state and to other municipalities affected by the budget.

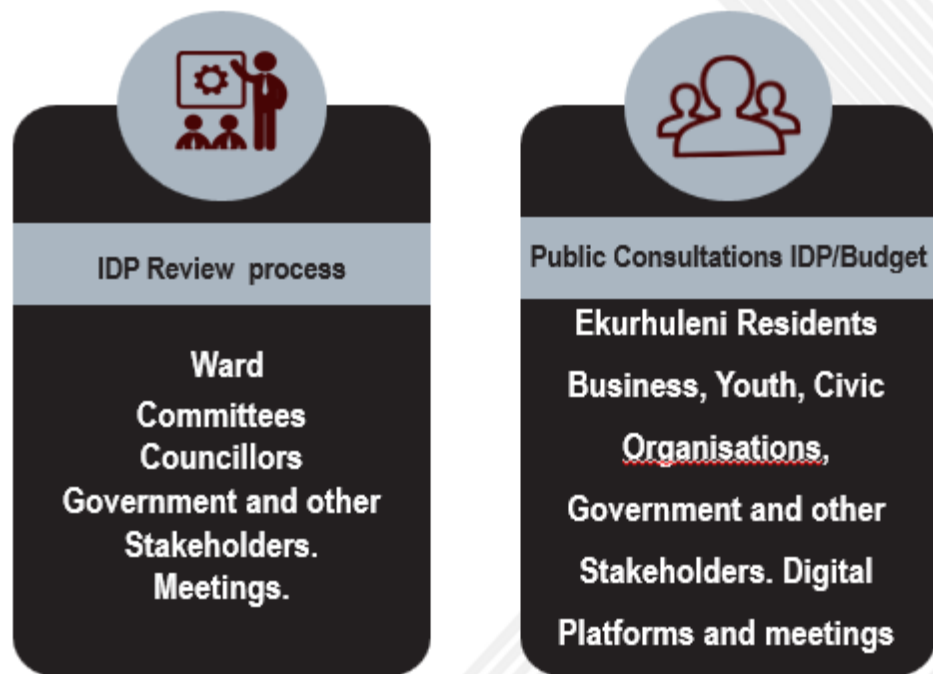


Legislative Context: Community and Stakeholder Participation

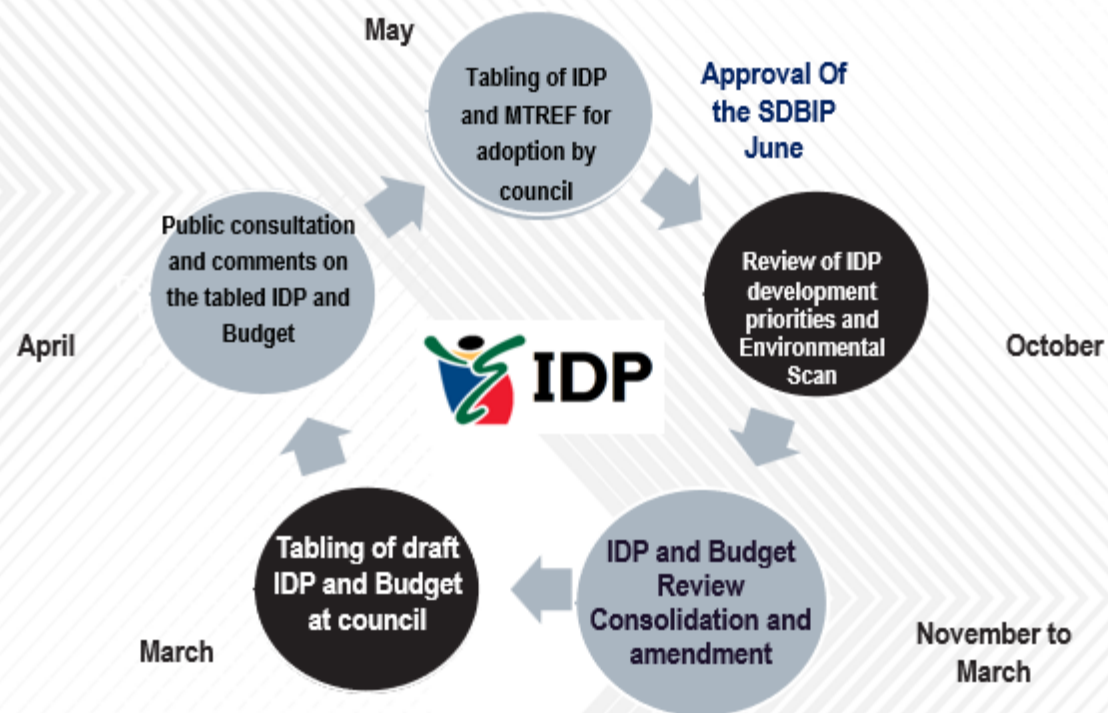
- **Amendment to the IDP may not be adopted** by a municipal council unless the proposed amendment has been **published for public comment for a period of 21 days** in a manner that allows the public an opportunity to make representations with regard to the proposed amendment as required by section 3 (4) (b) of the Local Government Municipal Planning and Performance Management Regulations 2001.



COE IDP AND BUDGET STAKEHOLDER CONSULTATION



COE IDP AND BUDGET PROCESS



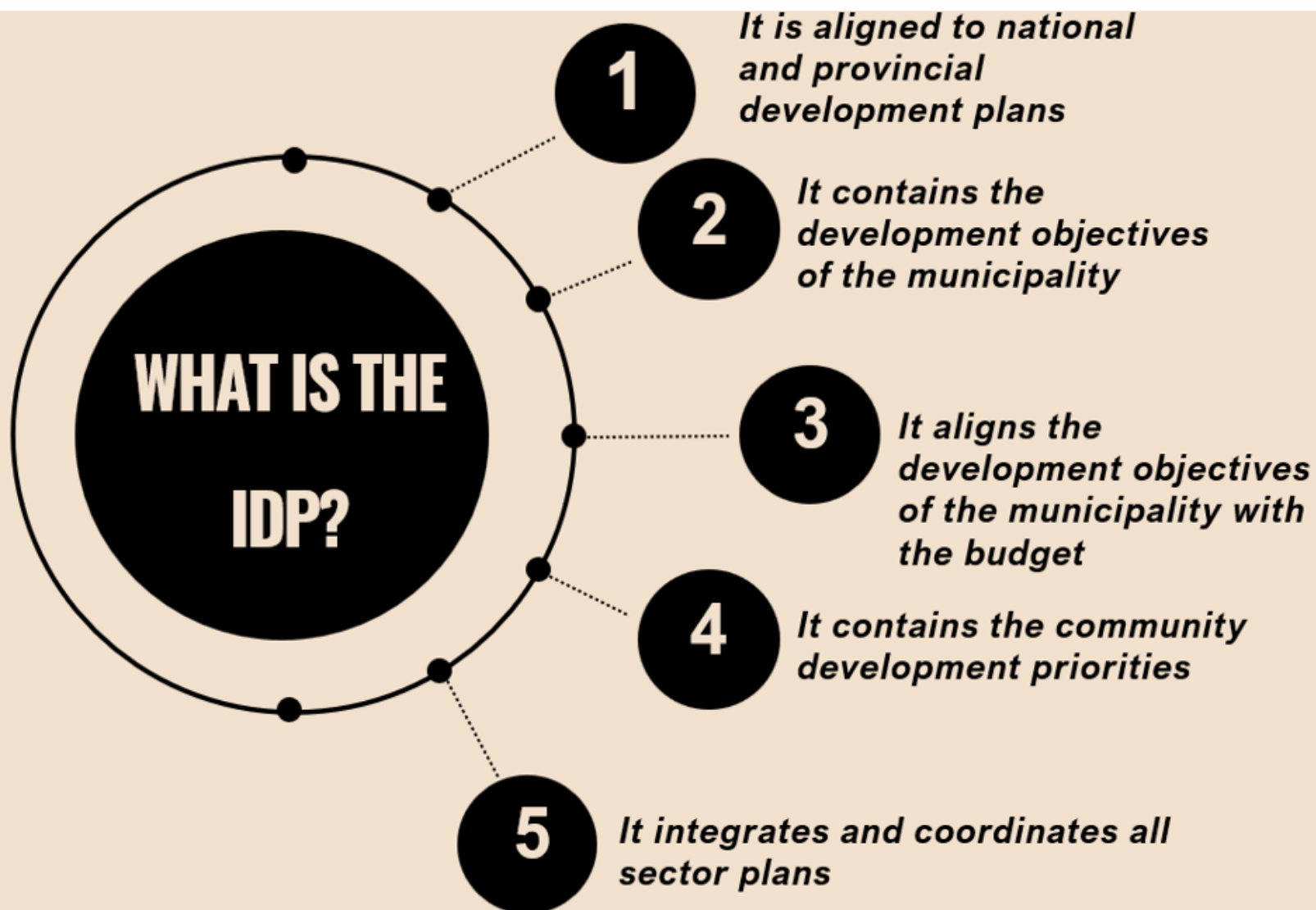


Section 2

What is the IDP and the Budget?



The IDP is a 5-year inclusive strategic plan for the development of the municipality as required by the Local Government Municipal Systems Act 32 of 2000





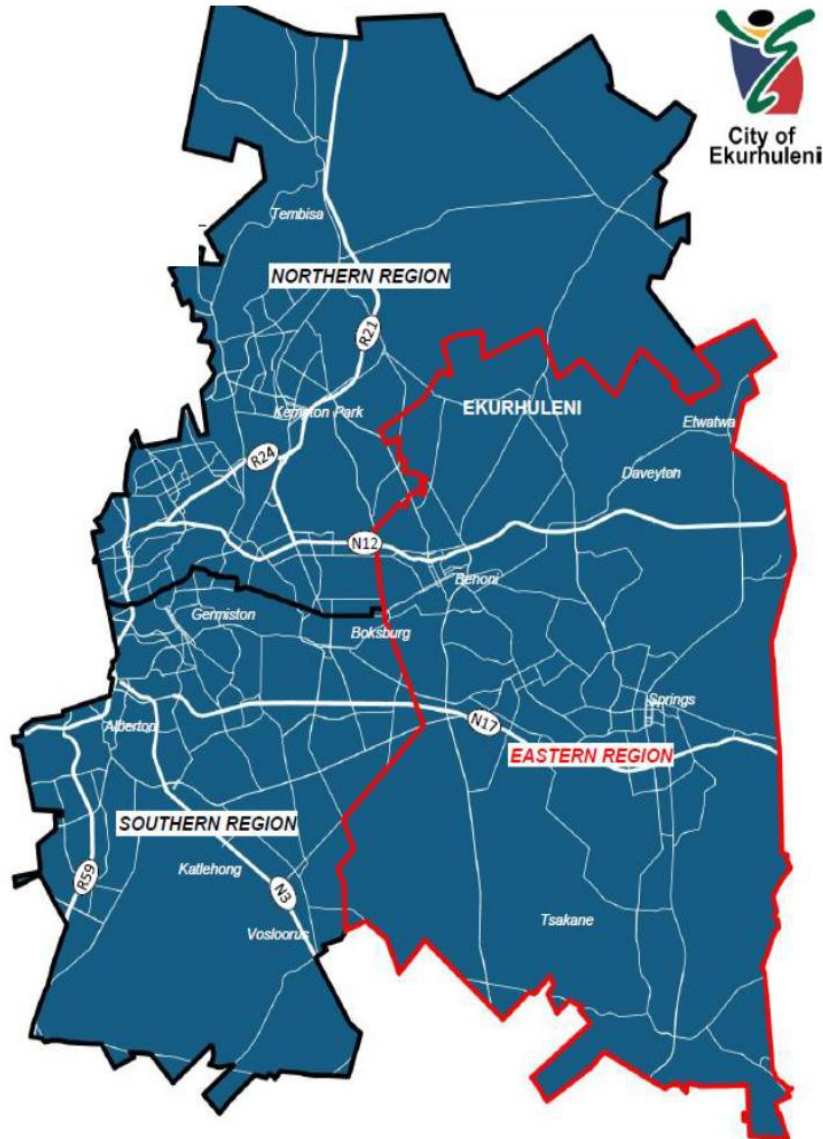
The Medium-Term Revenue and Expenditure Framework, or the MTREF, provides the budgets for the various projects/services that the City will implement in the next financial year (budget year) – and the two years following the budget year. It is a requirement of the Local Government Municipal Finance Management Act, 56 of 2003.





Section 3

Draft 2026/2027-CoE Amended Integrated Development Plan

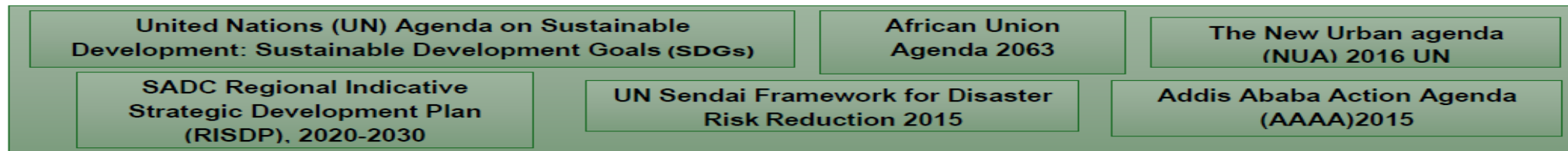


Area	197,592 hectares - 10.9% of Gauteng's land mass of 18,176km (GCOGTA, 2023).
Population	4 066 691 (Statistics South Africa 2022)
Households	1 421 003 (Statistics South Africa 2022).
Functional Literacy Rate	94.84% (South Africa Regional eXplorer 2024).
Economically Active Population – Ages 15 and 65	1.8 million in 2024 (Statistics South Africa 2024).
Working age population- Ages of 15 and 64	2.85 million in 2024 (Statistics South Africa 2024).
GDP	R497 billion 20.06% to the Gauteng Province and 6.76% to the National GDP, (South Africa Regional eXplorer 2024).
Unemployment	33.4% (Statistics South Africa 2024).
Access to sanitation	91,2% (Statistics South Africa 2024).
Access to refuse removal services/waste collection	91% (Statistics South Africa 2024). 89% receive these services on a regular basis (weekly).
Access to piped water in dwelling	99% have access to water (74% in the house, 20% in the yard and 5% communal standpipe, 0,8% no water)
Electricity for lighting	93% use electricity for lighting



City of Ekurhuleni Planning Context

Summary of International/Regional Policies/Commitments/Global Governance Frameworks



Summary National and Provincial Plans/Policies



Summary City of Ekurhuleni Plans



City of Ekurhuleni Growth and Development Strategy 2055 (GDS 2055)

Re-urbanise
to achieve
sustainable urban
integration

Re-industrialise
to achieve to job
creating economic
growth

Re-generate to
achieve
environmental
wellbeing

Re-mobilise
to achieve social
empowerment;
and

Re-govern to
achieve effective
cooperative
governance

Future Vision

Delivering City (2012-2020)

Well managed, resourced,
financially sustainable.
No service delivery
challenges

Capable City (2020 - 2030)

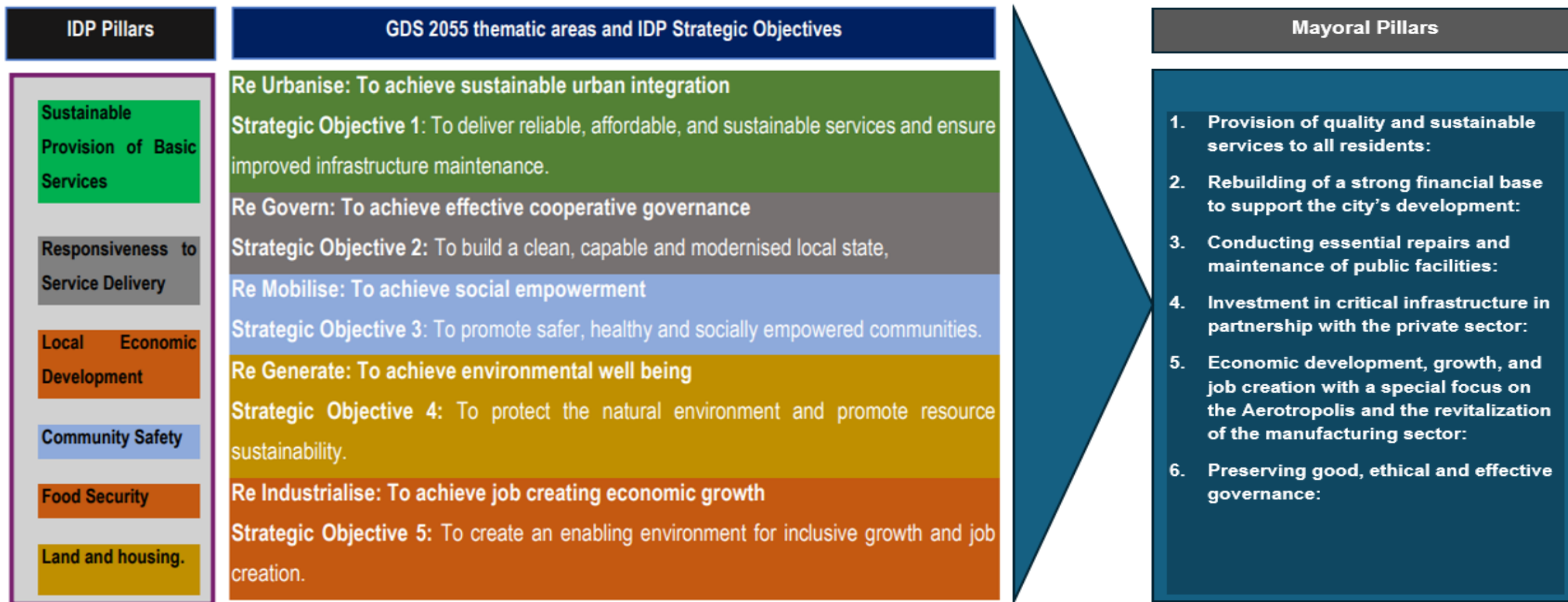
Inclusive industrial
economy. Meaningful
reduction of unemployment
and poverty

Sustainable City (2030 - 2055)

Clean, green and sustainable
African manufacturing
complex, and city
development network



GDS 2055, IDP Programmes, IDP Strategic Objectives and Mayoral Pillars





IDP Community Development Priorities

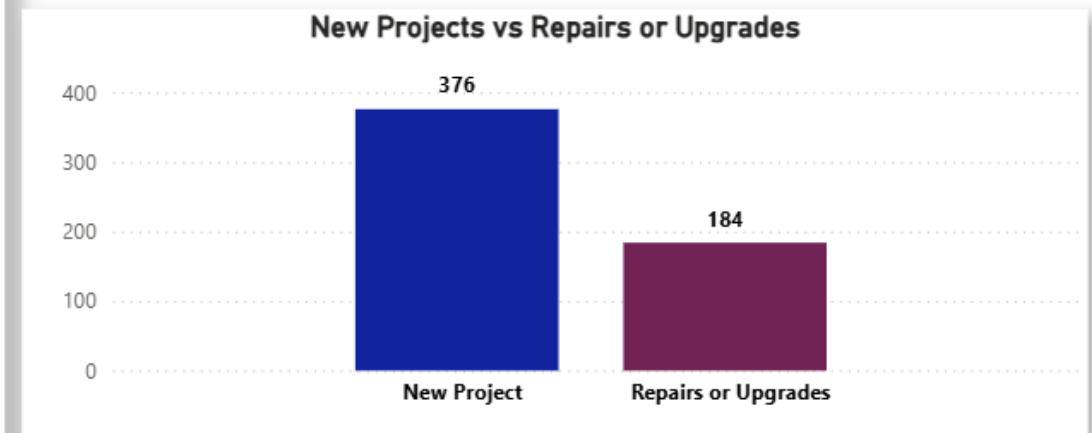
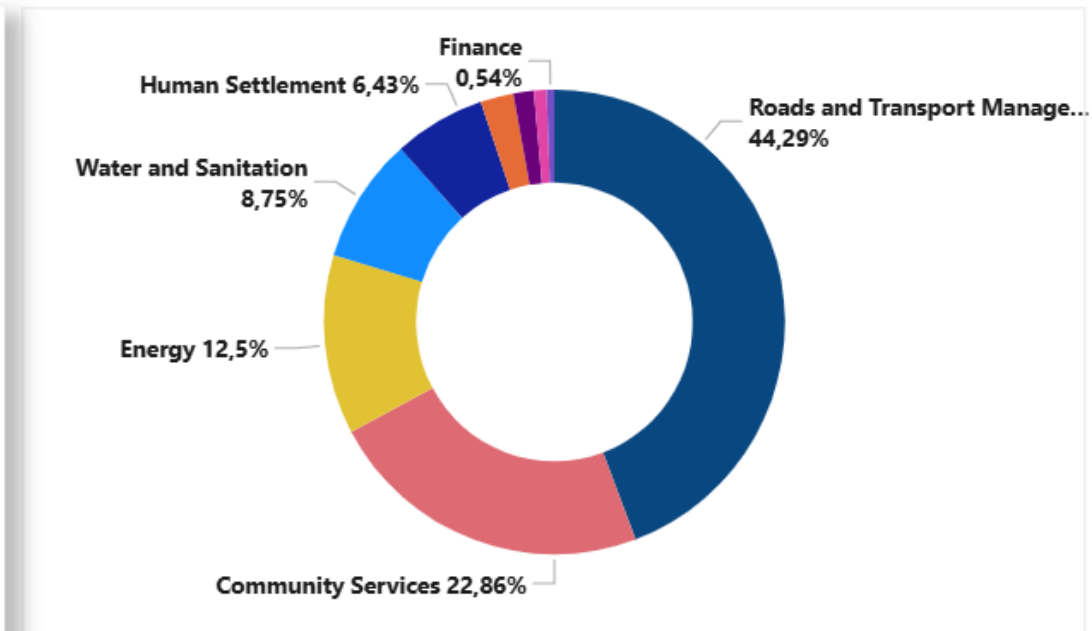
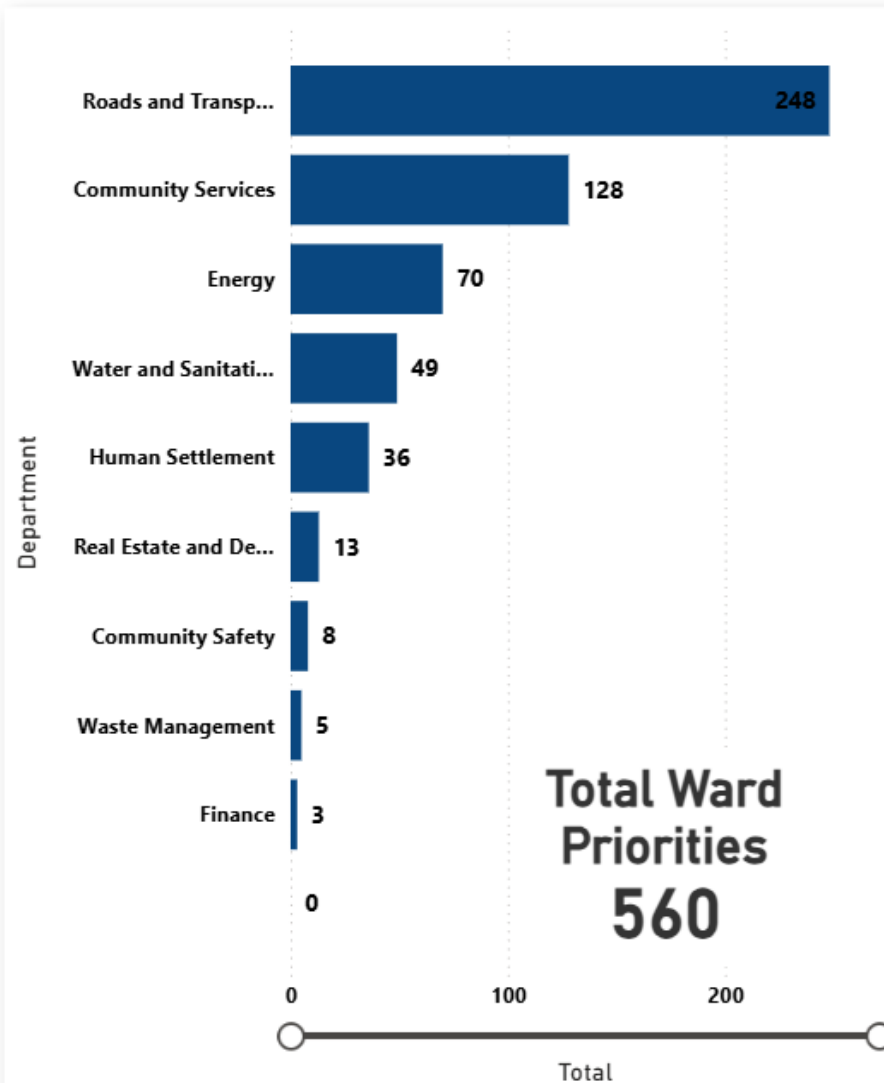
- Community development priorities are priorities collected from the community as part of the IDP and Budget process.
- In the City of Ekurhuleni, these are collected per ward (Ward Participatory System) and are referred to as ward priorities
- They are priorities required in terms of Section 29(1) (b) of the Local Government **Municipal Systems Act, 32 of 2000** which requires that the process followed by the municipality to draft its integrated development plan must:

Through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for the local community to be consulted on its development needs and priorities and for them to participate in the drafting of the integrated development plan.

- The CoE Ward priorities were reviewed during the IDP and Budget review process on **7 to 16 October 2025** in preparation for the 2026/2027 IDP and 2026/2027-2028-2029 MTREF.

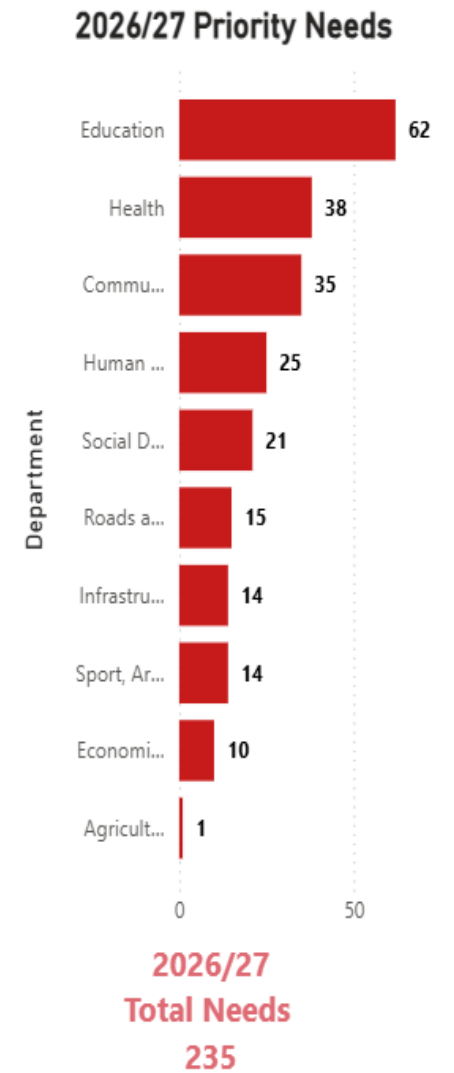
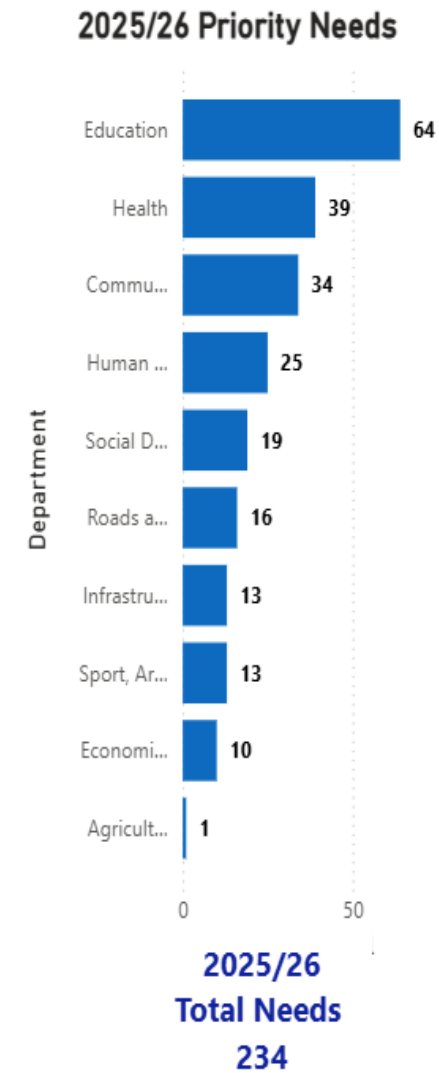
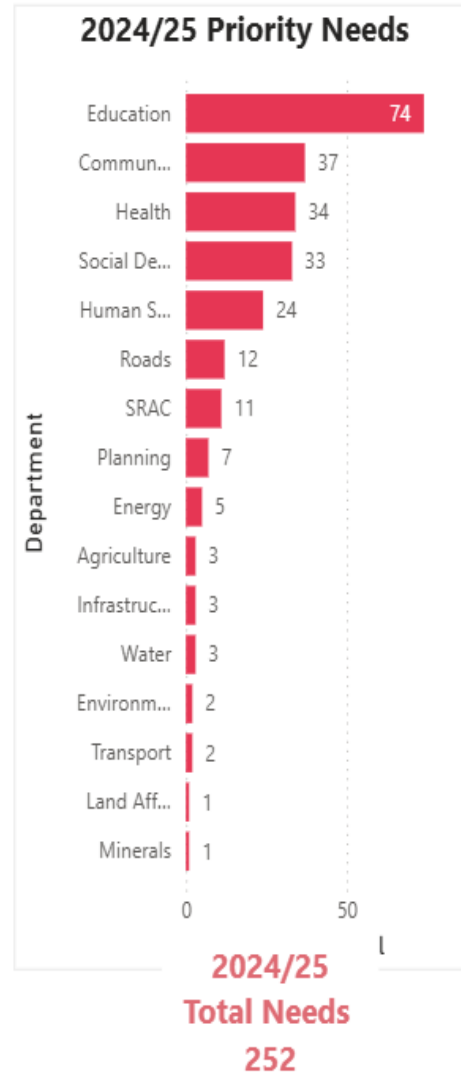
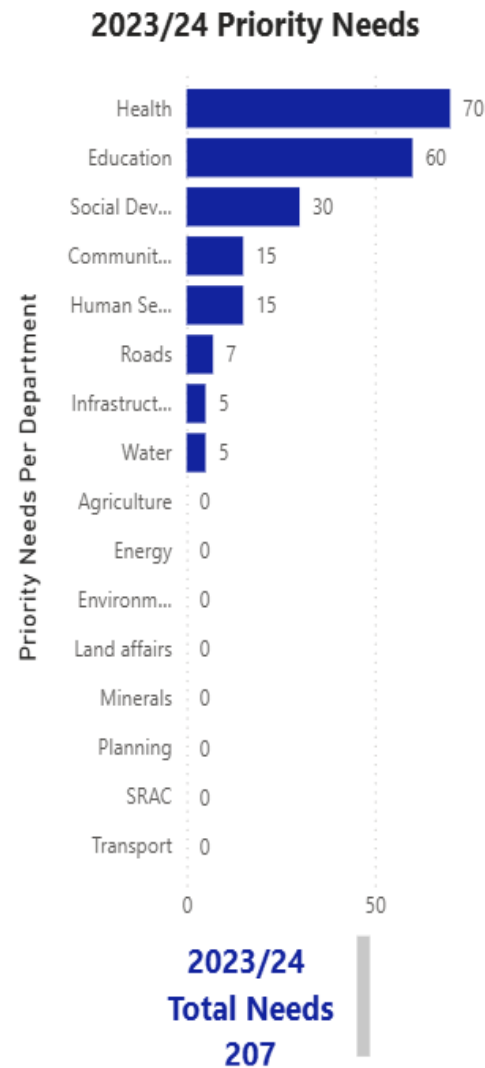
Ward Priorities that are of local government competence (City of Ekurhuleni)

2026/2027 Reviewed Ward Priorities





**Ward
Priorities
that are not
of local
government
competence
(referred to
the National/
Provincial
Government
Departments**





National/ Provincial Legislative Competencies (Unfunded Mandates)

The Constitution of the Republic of South Africa, 1996 Schedule 4 Part A

Functional areas of concurrent National and Provincial Legislative Competence

- **Education** at all levels excluding tertiary education
- **Health Services** (Schedule 4 Part B: requires municipalities to provide Municipal Health Services)
- **Housing** (Shared mandate with municipalities)
- **Police**
- **Public Transport** (Schedule 4 Part B requires municipalities to provide Municipal Public Transport)
- **Vehicle Licensing**
- **Welfare Services**

The Constitution of the Republic of South Africa, 1996 Schedule 5 Part A

Functional areas of Exclusive Provincial Legislative Competence

- **Ambulance Services**
- **Libraries** and other National Libraries
- Provincial **Recreation and Amenities**

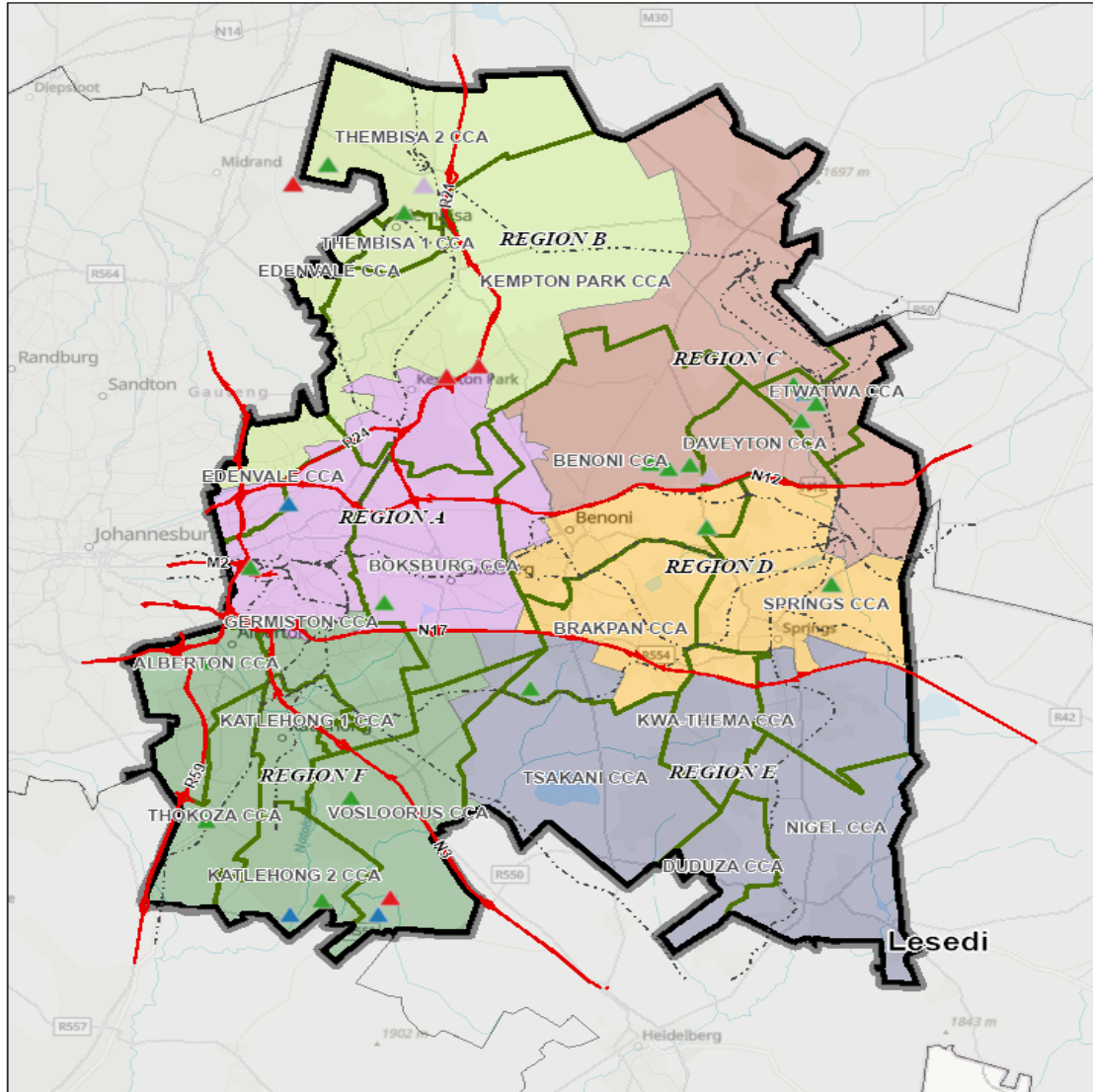
(Schedule 5 Part B: requires municipalities to provide **Municipal Parks and Recreation** and Local amenities)

- Provincial Sports

(Schedule 5 Part B: requires municipalities to provide **Local Sports Facilities**)



GPG projects in COE



Departments	Number of Projects
Education	32
Human Settlement	14
Health	28
Roads	7
Social Development	20
TOTAL	101



Section 4

2026/2027-2028/2029 Medium Term Revenue Expenditure Framework (MTREF)



2026/27-2028/2029 Medium Term Expenditure Framework

Capital Budget

Capital Budget is used to fund service infrastructure needs of the community such as:

- ✓ Construction and upgrading of Metro trading services (Energy, Water and Sanitation and Waste management) and Roads
- ✓ Network enhancement
- ✓ Electrification of houses and other needs

Operational Budget

Operating Budget is used to fund the day-to-day activities of the City such as:

- ✓ Bulk purchases of electricity and water
- ✓ Repairs and maintenance of infrastructure
- ✓ Grass cutting
- ✓ Maintenance of parks and recreational facilities
- ✓ Metro policing and other activities.



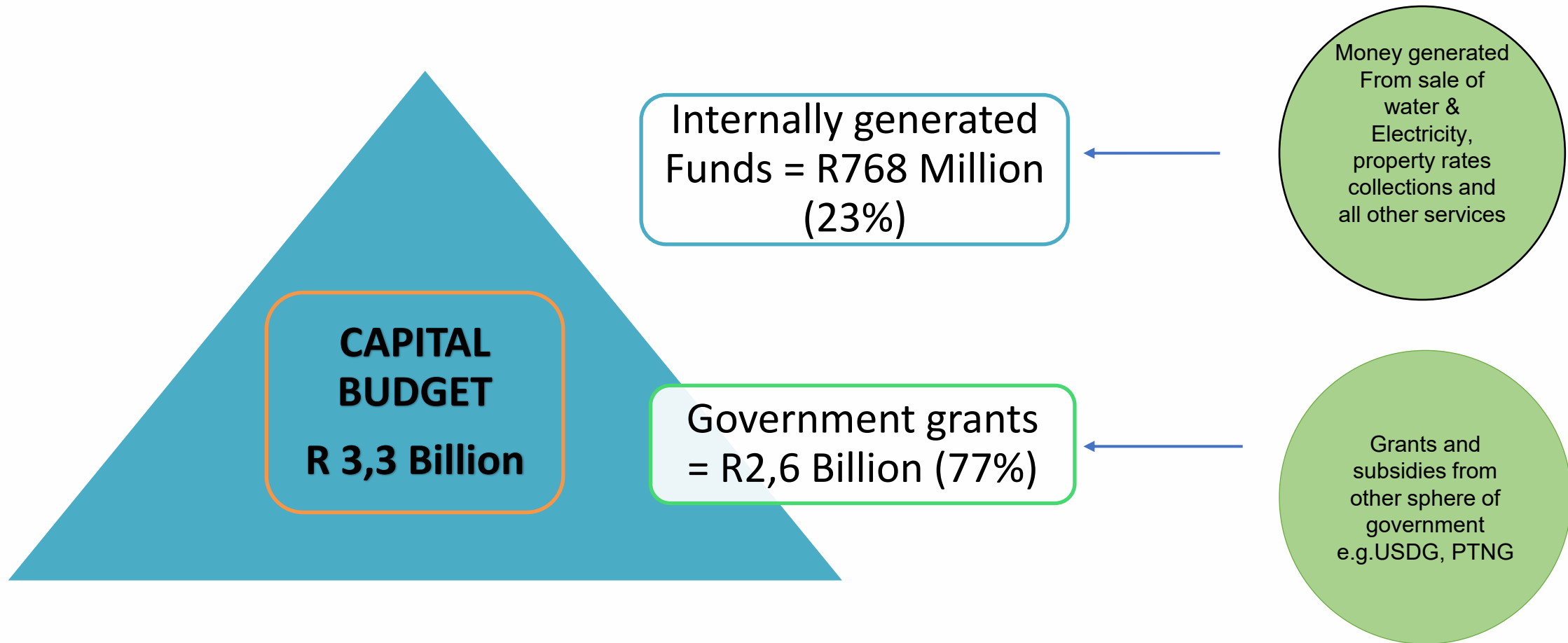
City's budget focus areas

✓ **Mayoral Pillars:**

- Provision of quality and sustainable services to all residents.
- Rebuilding of a strong financial base to support the city's development.
- Conducting of essential repairs and maintenance of public facilities.
- Investment into critical infrastructure in partnership with the private sector.
- Economic development growth and job creation with a special focus on the Aerotropolis. and revitalisation of the manufacturing sector.
- Preserving Good and Ethical governance.

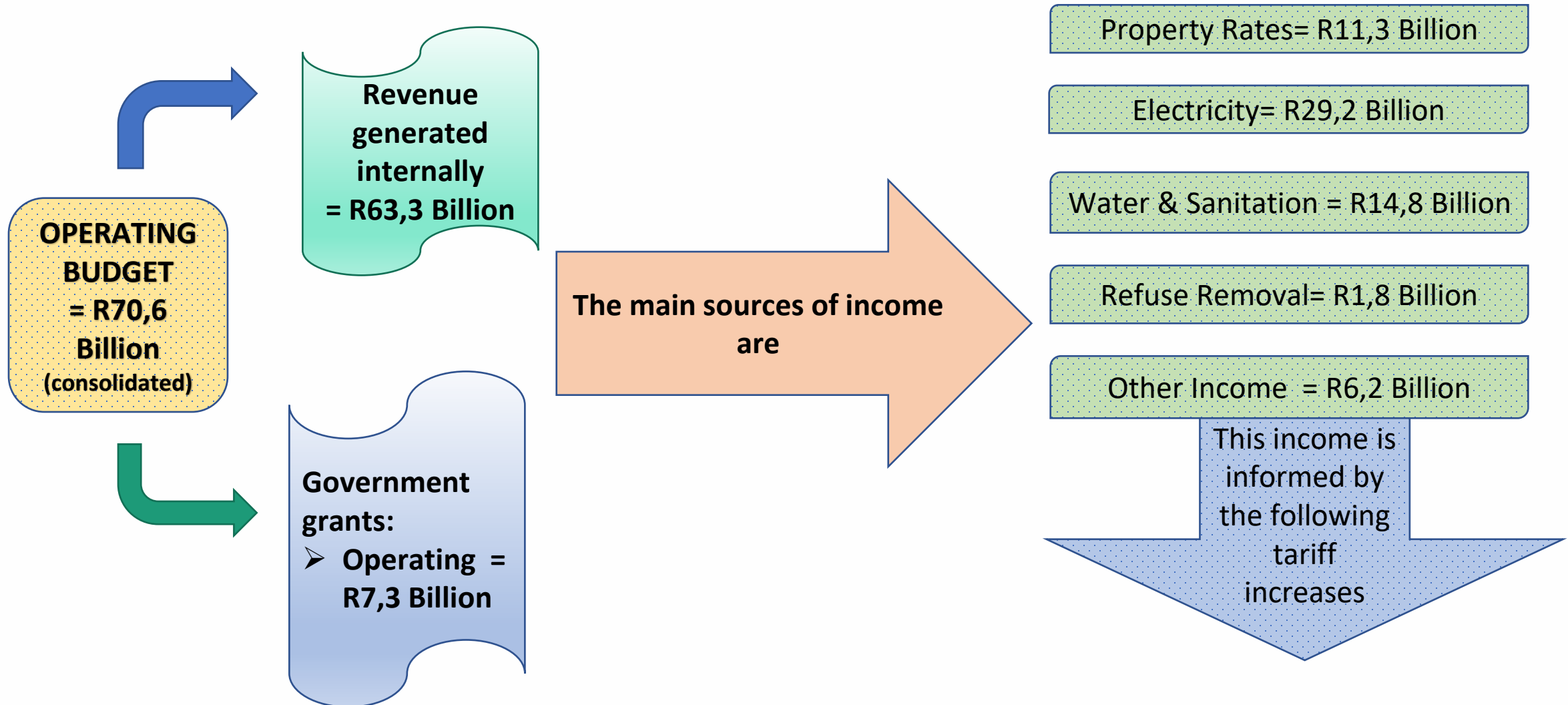


SOURCES OF FUNDING – CAPITAL BUDGET





SOURCES OF FUNDING – OPERATING BUDGET





PROPOSED TARIFF INCREASES

Service	Proposed Tariff	Factors influencing proposed tariffs
Water	14% increase	Subject to Rand Water tariffs (This tariff is out of CoE's control)
Sanitation	8,35% increase	To address ERWAT constraints as we are operating at limited capacity which prevents City's growth
Refuse removal	3,7% increase	To fund procurement of specialised vehicles to improve efficiency
Energy	Ranges between 8,76% & 9,01%	Subject to NERSA (This tariff is out of CoE's control)
Assessment rates	3,7% increase	Based on Consumer Price Index (CPI)
Building plans	3.7% Increase	Based on Consumer Price Index (CPI)





PROPOSED SUNDRY TARIFF INCREASES

Service	Proposed Tariff	Factors influencing proposed tariffs
Libraries and auditoriums	No increase	
Cemeteries and crematoriums	3.7% increase	Based on CPI
Hiring of Parks, Sports and Recreation facilities	3.7% increase	Based on CPI
Municipal bus services	3.7% increase	Based on CPI
Arts, Culture and Heritage services	No increase	

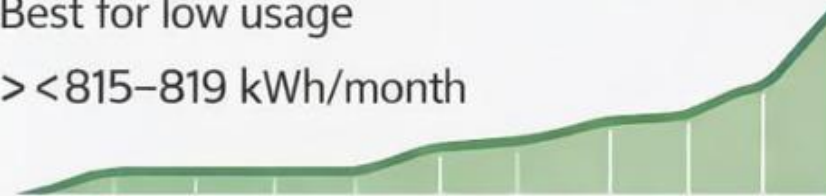




Difference between Tariff A & Tariff B on Electricity

Tariff A

- Higher cost per kWh with increasing usage
 - Best for low usage
- > < 815–819 kWh/month



Tariff A.1 Indigents



Flat kWh tariff,
60A Home Lite rate

✓ Above 50kWh

- **Tariff A.1 Indigents**
- Flat kWh tariff, 60A Home Lite rate
- Above 50kWh

Tariff B

- Fixed rate per kWh
- Best for high usage

SAME COST PER UNIT

Tariff B

Non-indigents & IMMS Customers



Flat kWh tariff,
Above 50kWh



✓ Above 50kWh

✓ All times & seasons

- **Tariff B Residential Resellers**
- Basic charge + Flat kWh rate
- Demand & Network access charge **removed**

**COE REVENUE COLLECTION RATE**

Financial Year	Total Billed	Total Receipts	% Collection	% Shortfall
2020-21	29 860 717 737	26 777 492 237	89,67%	-0.67%
2021-22	35 255 633 227	29 982 788 907	85,04%	0.04%
2022-23	35 205 292 065	31 932 435 376	90,70%	0.70%
2023-24	38 099 638 597	34 292 899 051	90,01%	0.01%
2024-25	41 676 350 200	37 871 897 785	90.87%	0.87%
2025-26	31 746 798 888	27 798 712 294	87.56%	-2.44%

CITY'S BUDGET FOCUS AREAS (Repairs and Maintenance Per Department)

Increased allocation on Repairs and Maintenance prioritising Trading Services to address majority of ward priorities that are operational in nature (over R300m increase)

DEPARTMENT	2025/26 ADJUSTED BUDGET	2026/27 DRAFT BUDGET	2027/28 DRAFT BUDGET	2028/29 DRAFT BUDGET
Energy	1,525,010,478	1,848,052,013	1,995,896,237	2,155,568,022
Roads and Transport Management	883,633,957	1,184,718,957	1,279,496,475	1,381,856,193
Water and Sanitation	605,903,039	637,818,686	761,664,793	822,597,980
Waste Management Business Unit	238,644,823	273,656,269	295,548,770	319,192,576
Ekurhuleni Water Care Company (ERWAT)	192,393,846	222,415,947	250,404,592	280,191,608
Real Estate and Development Planning	121,972,178	75,703,153	81,759,406	88,300,158
Community Safety	72,460,894	81,132,947	88,703,581	95,799,868
Community Services	137,077,366	137,077,366	148,043,560	159,887,046
Human Settlements	21,059,700	21,059,700	22,744,478	24,564,039
Ekurhuleni Housing Company (EHC)	11,600,411	4,968,930	5,287,592	5,458,428
Other Supporting Departments	12,438,318	120,836,011	129,422,789	139,776,724
Grand Total	3,822,195,010	4,607,439,979	5,058,972,273	5,473,192,642



Proposed policy review

Debt Relief and Rehabilitation Incentive:

- Increasing the write off from 70% to 75% on all the accounts that are 12 months and above for Households.
- A 10% debt write off on business over above the 100% write off on interest and extending the tempering waiver for a period for Residents only.
- Extending of the debt relief to the City's rental stock.

Credit Control:

- Exercising of credit control on overconsumption by indigents and the consideration of opening of criminal cases for constant deliberate tempering.
- Clearing of the deceased accounts in an instance of impractical claim against a deceased estate, a process that will be subjected to application and verification.

Indigent Support:

- Abolishing of a criteria that declines indigent application on the basis of two accounts with the approval for a single benefit.
- Improving the ease of application by re-affirming the admissibility of the affidavits in the absence of the letter of authority as well as the end to end management of indigent application.



Proposed policy review

Water losses:

- Fixing of water leakages by the City inside household's properties as and when reported and detected.

Stolen service connection cable:

- Removal of the liability by the account holders for cable theft outside properties.

Investment Support:

- Introduction of a minimum investment support package to attract private sector investment and collaboration.

Energy Pricing and Tariff Policy:

- The City will move from inclining Block Tariffs to a Flat Rate Tariff, aligned to the approach used by Eskom. - 0-50kWh = Free Basic Electricity – Above 50kWh = Flat tariff with cross-subsidization.



Section 5

Specific Customer Care Area Presentation

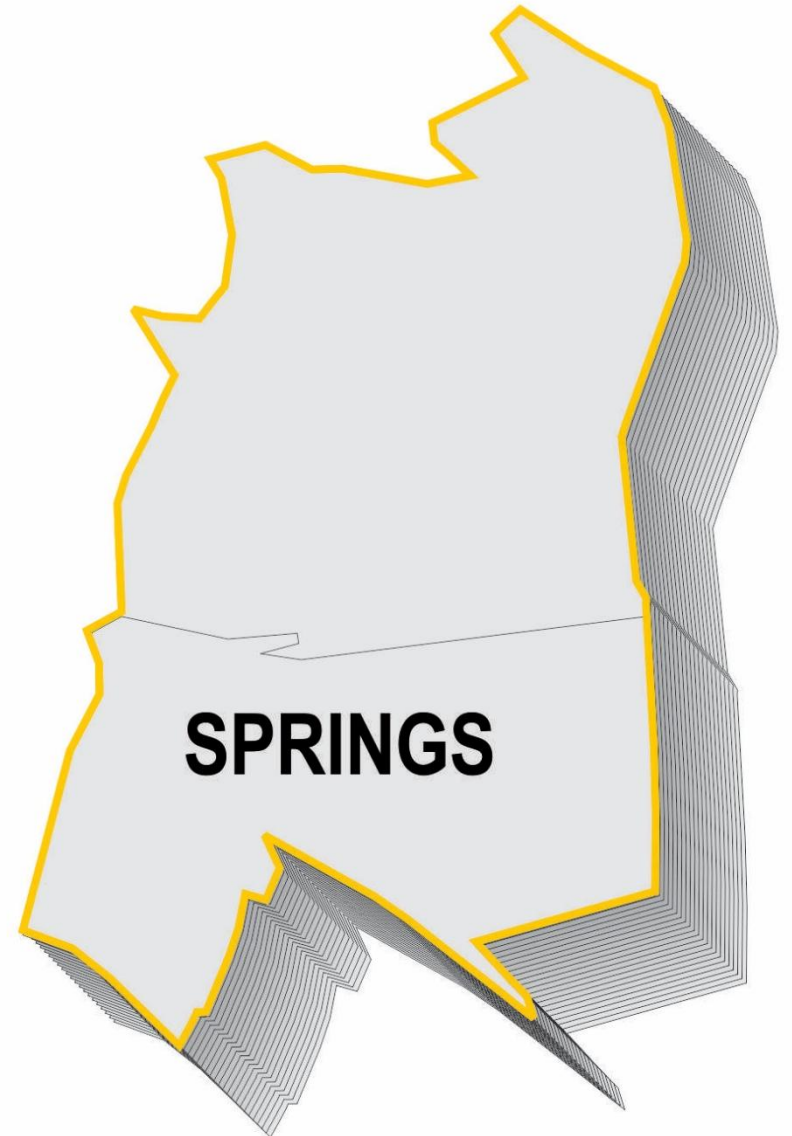


Section 3:

Specific Customer Care Area Presentation



SPRINGS CUSTOMER CARE AREA



Facts about Springs



Total Wards

4



Population

112 929



Registered Properties

27 720



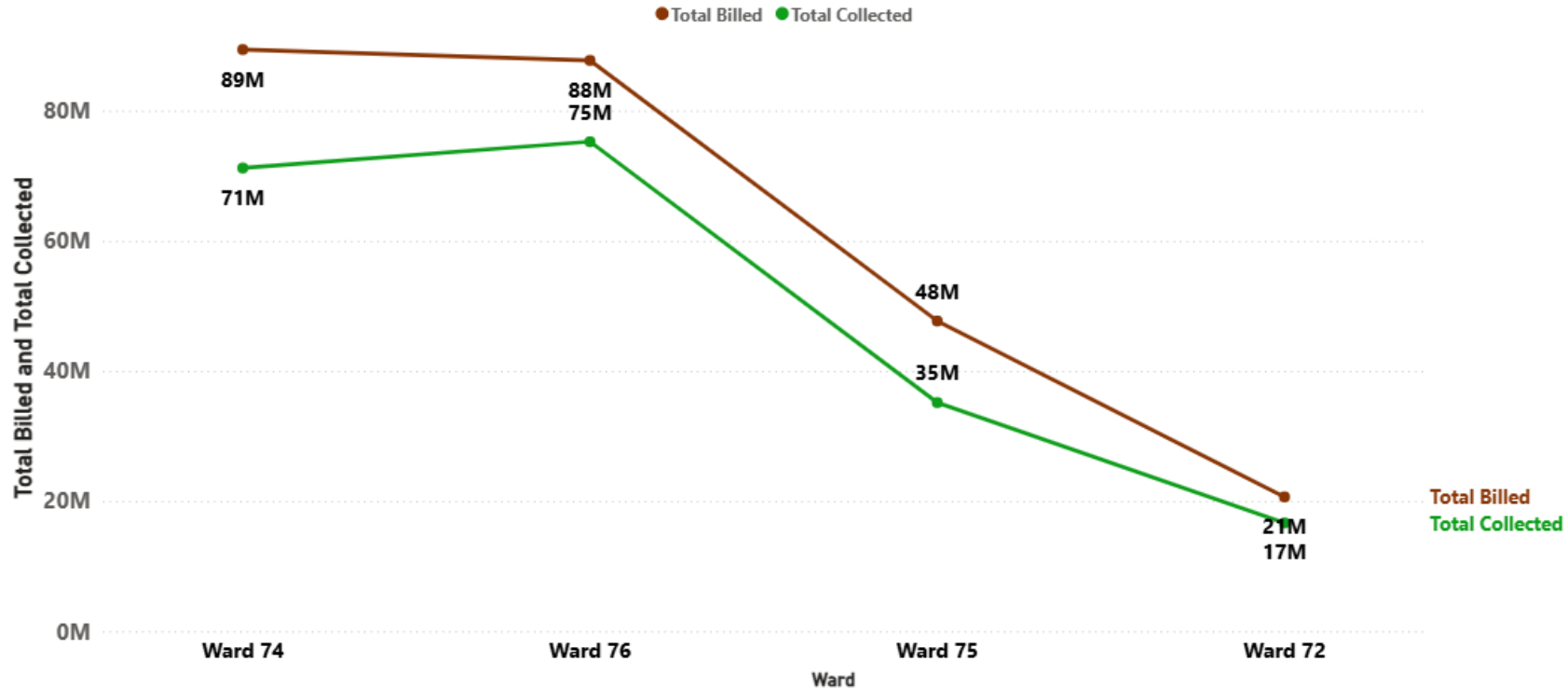
Collection Rate

72,77%

Number of Informal Settlements: 7



Total Billed vs Total Collected Per Ward - Springs CCA



COLLECTION RATE PER WARD

Ward	% Collection
Ward 72	75.87%
Ward 74	88,42%
Ward 75	80,95%
Ward 76	79,51%



DEPARTMENT

Top 3 Issues Reported: Springs CCA

1. Power failure
2. Water pressure is low
3. Sewer blockage





Community and Stakeholder Engagement: Springs Priorities



Departments	Number of Needs
Community Safety (EMPD)Energy Business Unit	1
Community Safety (Fire and Disaster Management)/Community Services (SRAC-Operations, Sport and Recreation)	1
Community Services (Environmental Protection, Resilience and Project Management)	1
Community Services (Parks and Cemeteries)	4
Community Services (SRAC-Operations, Sport and Recreation)	1
Energy Business Unit	4
Human Settlement	1
Roads and Transport Management	4
Water and Sanitation Business Unit	3
TOTAL	20

Funded IDP Priorities

New Department	Project Name	Project ID	CCA	Ward	Revised Budget Request Year 2026/27	Revised Budget Request Year 2027/28	NEW Budget Request Year 2028/29
Roads & Transport Management	Welgedacht suburb: roads need to be re-tarred and constructed	41896	Springs	75	10 000 000	6 774 000	3 000 000
Roads & Transport Management	Slovo park: roads need to be constructed	41897	Springs	75	10 000 000	6 000 000	4 000 000
Energy	Springs Network enhancement(Springs)	36105	Springs	74, 75, 76		6 000 000	8 000 000
Community Services	Develop/upgrade Park in Springs	62221	Springs	72		1 000 000	800 000



2025/2026 Budget Progress Report

Department	Project Name	Progress
Energy	Springs Network Enhancement – Lay 11kV Cable from Sharon Park Substation to Selcourt Estate (Ward 76)	Project is completed
Energy	Springs Lighting: • Install 1 highmast at Broad Str, Springs Ext (Ward 74) • Install 1 highmast at Ramaphosa Str, Payneville (Ward 75)	Project is completed
Environmental Health	None	The Environmental Health Division is not involved in any Capex projects
Community Services	No capex project planned for this financial year	No funds available It has been communicated that PHC is an unfunded mandate.
Roads	The department has no active projects in Springs in the current financial year. New projects will only be implemented in Welgedacht (Capex budget)	2026/27 financial year
Waste Management	Construction of Dersley Mini Site 5 000 000 Construction of Geduld Mini Site 5 000 000	Budget and Financial year 2026/2027

New Department	Project Name	Project ID	CCA	Ward	Revised Budget Request Year 2026/27	Revised Budget Request Year 2027/28	NEW Budget Request Year 2028/29
ERWAT	Welgedacht WCW Refurbishment and Upgrades →PSP (Stage 3 - 4)		Springs	75	22 727 555	35 086 597	40 000 000
Roads & Transport Management	Welgedacht suburb: roads need to be re-tarred and constructed	41896	Springs	75	10 000 000	6 774 000	3 000 000
Waste Business Unit	Weighbridge Installation, calibration and accilary works at the dagga fontein Offloading Facility	62356	Springs	76		1 500 000	1 000 000
Water and Sanitation	Upgrade Bulk Water pipeline from RW1746 to Pam Brink Reservoir	62394	Springs	72		-	1 000 000
Water and Sanitation	Upgrade Bulk Water pipeline from RW1496 to Selcourt Reservoir	62393	Springs	77		-	1 000 000
Energy	Springs Revenue enhancement(Springs)	36106	Springs	74, 75, 76	5 000 000	6 000 000	8 000 000
Energy	Springs Network enhancement(Springs)	36105	Springs	74, 75, 76		6 000 000	8 000 000
Energy	Springs Lighting(Springs)	36104	Springs	72, 74, 75, 76, 77		800 000	1 000 000
Roads & Transport Management	Slovo park: roads need to be constructed	41897	Springs	75	10 000 000	6 000 000	4 000 000
Waste Business Unit	Rietfontein Upgrading of facilities.(Springs)	34582	Springs	76	10 000 000	47 000 000	30 000 000
Water and Sanitation	Pintail Close, Bakerton and Grootvlei Rd Sewers	60515	Springs	72	-	5 000 000	10 000 000
Human Settlement	Payneville ext 1	35820	Springs	75	8 000 000	15 000 000	15 000 000
Water and Sanitation	Modder East Dersley & Welgedacht Sewers	62248	Springs	72	-	5 000 000	5 000 000
Human Settlement	Mega Projects: Daggafontein	60278	Springs	76	15 000 000	19 000 000	19 000 000

Energy	JVA Substation	62336	Springs	74		25 000 000	40 000 000
Water and Sanitation	Impala Mine & Dal Fouche Sewer	60495	Springs	72	-	1 000 000	2 500 000
Community Services	Develop/upgrade Park in Springs	62221	Springs	72		1 000 000	800 000
Waste Business Unit	Construction and Upgrade of the Geduld Mini Disposal Site	62220	Springs	75	500 000	100 000	5 000 000
Waste Business Unit	Construction and Upgrade of the Dersley Mini Disposal Site	62218	Springs	72	500 000	5 000 000	5 000 000
ERWAT	Ancor WCW Refurbishment and Upgrades →PSP (Stage 3 - 4)		Springs	76	16 199 298	35 086 597	35 000 000
					97 926 853	220 347 194	234 300 000



GENERAL CoE CHALLENGES

- The **significant outstanding debts and nonpayment for services rendered** limits available resources, making it challenging for the City to address all community needs within a single financial year.
- **Growing population** results in growing demand for services and resources which need to be addressed with limited resources.
- **Aging and constrained infrastructure** which requires resources to be allocated to refurbishments, upgrades and repairs.
- **Theft and vandalism of infrastructure** – city is increasing efforts to both prevent and respond to incidents.



How to submit inputs

- Participation in public meetings
 - Visiting the My CoE APP



For more Information, Comments & Pre-registration:

- Please visit: <https://www.ekurhuleni.gov.za/idp/>
- Scan the QR code
- Visit Customer Care Centre for assistance

Residents are encouraged to report suspected cases of fraud, corruption & theft to the City.

Hotline: 0800 102 201

Closing date for submitting comments is **24 April 2026.**

2026/2027 IDP and 20206/2027-2028/2029 Municipal Budget

Thank you