CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
COUNCIL MEETING

2026.03.26

ITEM A-F (17-2026)

FINANCE DEPARTMENT: DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR 2026/27 TO 2028/29 AND THE AMENDED 2022/23 TO 2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

1. PURPOSE

The purpose of this report is to submit the Draft Medium-Term Revenue and Expenditure Framework (MTREF) for the 2026/27 to 2028/29, and the amended 2022/23 to 2026/27 Integrated Development Plan (IDP) to Council for consideration in terms of Section 16(2) of the Municipal Finance Management Act (56 of 2003).

2. STRATEGIC PRIORITY

To promote good governance and financial sustainability of the City.

3. WARD/S AFFECTED

All wards.

4. IDP LINKAGE

Good governance.

5. EXECUTIVE SUMMARY

The compilation of the tabled budget and the development of the municipality's integrated development plan started 10 months before the beginning of the 2026/27 financial year when the report regarding the key deadlines was approved by the Council on the 31 August 2025 item A-Corp (44-2025) as required by Section 21(b) of the MFMA.

A number of factors were taken into consideration in the compilation of this MTREF, including but not limited to:

- The Division of Revenue Bill tabled by the National Minister of Finance on the 25th February 2026;
- Gauteng Province 2025/26 gazetted allocations as the 2026/27 gazette is not yet released; therefore some of the amounts provided are still to be confirmed after the release of the gazette.
- The City of Ekurhuleni Growth and Development Strategy
- The City of Ekurhuleni Long Term Funding Strategy;
- Guidelines from National Treasury contained in latest Budget Circulars; and
- Proposed tariff increases from Rand Water and ERWAT and NERSA indicative tariffs.

Furthermore, the construction of the tabled draft budget acknowledged the following challenging areas:

- Financial Stability, characterised by the lack of optimal collection, revenue leakages and weak liquidity position,
- Ineffective Expenditure Management associated with inadequate expenditure control, uneconomical procurement, vulnerability to invalid expenditure and the lack of proper provision for essential expenditure,
- Overwhelming needs against limited budget resources, which if there is no clarity of prioritisation may lead to unsatisfactory delivery,
- The constraint to properly support the City's Development, impeding on investment and growth in the City's economy and,
- The current economic realities associated with affordability and the cost-of-living challenges.

Considering the above, this budget is designed to consolidate and accelerate basic services, particularly water, sanitation, waste collection, and electricity, with a strong focus on upscaling repairs and maintenance, reducing outsourcing, and protecting critical infrastructure. The implementation thereof will prioritise revenue collection, revenue protection and revenue expansion.

The budget further prioritises prudent spending on core services and ensuring value for money. Expenditure management will focus on strengthening internal capacity rather than relying on contracted services, implementing cost-containment measures, and ensuring that repairs and maintenance is in line with National Treasury's 8% target of Property, Plant and Equipment (PPE), with a moratorium on non-core goods and services. Furthermore, the draft budget emphasises investment in infrastructure to support economic growth and enhance the City's ability to attract investment.

The tabled draft budget continues to give effect to the objective of ensuring a responsive City that is working with Agility to improve operational efficient and to deliver impactful services, and this is anchored by the below six key pillars as pronounced by the Executive Mayor during the 2025 State of the City Address:

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

The Growth and Development Strategy 2055 [GDS 2055] continues to be our strategic path and to which the budget construction is cognisance of, including the pursuit of flagship projects with a strong emphasis on Public Private Partnership [PPP].

The 2026/27 revenue and expenditure figures were arrived at after deliberations between Finance Department and the Senior Management Team (SMT) Lekgotla as well as the Budget Steering Committee (BSC) inclusive of the strategic planning of the Mayoral Committee. The two outer year figures are based on the outcome of these deliberations as well as application of tariff increases and CPI. These outer year figures **are indicative** and may change before the beginning of each year.

The **consolidated 2026/27 draft MTREF budget** (including entities) reflects the following totals:

Description	Budget Year 2025/26			2026/27 Medium Term Revenue Expenditure Framework		
	Adjusted Budget - 2025/26	YTD Actual - 2025/26	% Actuals	Draft Budget - 2026/27	Draft Budget - 2027/28	Draft Budget - 2028/29
	R	R		R	R	R
Total Revenue (excluding capital transfers and contributions)	66,325,379,864	42,683,294,346	64%	70,603,910,464	75,904,008,954	81,493,374,307
Total Expenditure	65,494,963,017	36,292,318,865	55%	69,670,532,722	74,939,829,747	80,498,341,365
Surplus/(Deficit)	**830,416,847**	**6,390,975,480**		**933,377,742**	**964,179,207**	**995,032,942**

The table above shows operating surpluses of R933.3 million, R964.1 million and R995 million in 2026/27, 2027/28 and 2028/29, respectively.

The following attachments are provided.

SECTION ONE: INTEGRATED DEVELOPMENT PLANNING

Annexure A 2022/23 – 2026/27 Amended Integrated Development Plan (2026/2027);

SECTION TWO: MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

Annexure B 2026/27 Draft Budget Book;
Annexure C 2026/27 Draft Capital Budget per ward;

SECTION THREE: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Annexure D 2026/27 Draft Service Delivery and Budget Implementation Plan (SDBIP) (Measurable Performance Indicators and targets);

SECTION E: POLICIES AND TARIFFS

Annexure E: Reviewed Budget Related Policies and By-Laws;
Annexure F: Tariffs, and
Annexure G: Service Level Standards

Purposes of the attachments to this report

- Departments refined and set targets for their respective departmental plans which are included in the IDP. The proposals contain results which departments will work towards achieving and to support the achievement of the programmes contained in the GDS 2055. **Annexure A** contains the Amended 2022/23 - 2026/27 IDP.
- **Annexure B** Medium-term Revenue and Expenditure Framework – Complete Budget Document as per Municipal Budget and Reporting Regulations;
- A detailed Capital Budget which makes reference to the ward information is included as **Annexure C.** Though this annexure is not required in terms of legislation, it assist in many ways when the budget is scrutinised during public participation;
- **Annexure D** is required in terms of legislation the Service Delivery and Budget Implementation Plan (SDBIP) (Measurable Performance Indicators section) of Council must be reflected in National Treasury MBRR Table SA7;
- Reviewed Budget-related Policies and By-Laws are attached in **Annexure E**;
- **Annexure F** contains the new tariff schedules for the municipal services.
- **Annexure G** contains the service level standards that customers can expect from the City.

6. BACKGROUND AND DISCUSSION

6.1. LEGISLATIVE REQUIREMENTS

Section 16 of the Municipal Finance Management Act (56 of 2003) [MFMA] dealing with the tabling of the annual budget requires that:

(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

This item, together with all accompanying documents and annexures, contain the budget that is tabled in terms of the abovementioned legislative requirements. This is the draft budget that will be taken through the public consultation process during April 2026 in terms of sections 22 and 23 of the MFMA ***read with*** Chapter 4 of the Municipal Systems Act.

As part of the public participation process, National Treasury will schedule a benchmarking meeting with the City on the 11th May 2026 to do a comparison of the draft budget with the budgets of other metropolitan municipalities, and to determine whether the budget is **funded, credible and sustainable**.

PROCESS FOLLOWED

The Local Government Municipal Finance Management Act, 56 of 2003 which requires that the mayor must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines; for the preparation, tabling and approval of the annual budget, the annual review of and tabling and adoption of the amended integrated development plan and budget related policies, and any consultative processes forming part of the process referred to in subparagraphs (i), (ii) and (iii) of Section 21 (1)(b) of the MFMA, Act 56 of 2003.

The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft, must in terms of Section 29 (1) (a) of the Municipal Systems Act be in accordance with a predetermined programme specifying timeframes for the different steps.

The schedule of key deadlines for the 2026/27 review of the IDP and the Medium-Term Revenue and Expenditure Framework (MTREF) process was approved by the City of Ekurhuleni municipal council on 31 July 2025 (item A-Corp (44-2025). The figure below summarises the process followed for the review of the IDP and the drafting of the MTREF as approved by council.

2026/27 IDP and Budget Schedule of key Deadlines

PROCESS	ACTIVITY	TIMELINE
Planning	Prepare and table the schedule of key deadlines for the review, preparation tabling and approval of the integrated development plan and the annual budget	July - August 2025
Strategising	Stakeholder/Community Consultation. Analysis of previous performance and current trends. Review of the Integrated Development Plan and budget preparation process. Consider national and provincial priorities and planning guidelines. Consider Political and Administrative Imperatives	October 2025
Preparing	Preparation of the draft Integrated Development Plan, draft Annual budget and Budget Related Policies	October 2025 – February 2026
Tabling	Tabling of the Annual Report for the previous financial year at council Tabling of the mid-year assessment report for the current financial year at council Tabling of the adjustment budget and adjusted SDBIP for the current financial year at council Tabling of the draft IDP, draft annual budget and budget related policies for the next financial year at council Consultation with stakeholders and the community for comments and inputs on the draft IDP, draft annual budget and budget related policies for the next financial year. Consider stakeholder and community inputs on the tabled draft IDP and draft annual budget during the finalization of the IDP and Budget.	January - April 2026
Approving	Tabling of the Amended IDP, Annual Budget and budget related policies for the next financial year at council for consideration and approval.	May 2026
Finalising	Finalisation and tabling of the Service Delivery and Budget Implementation Plan (SDBIP) for the next financial year to the Mayor for approval Finalisation and signing of annual performance agreements	June- July 2026

Several factors were taken into consideration in the compilation of this MTREF, including but not limited to:

- The Division of Revenue Bill tabled by the National Minister of Finance on the 25th February 2026;
- Gauteng Province 2025/26 gazetted allocations as the 2026/27 gazette is not yet released;
- The City of Ekurhuleni Growth and Development Strategy
- The City of Ekurhuleni Long Term Funding Strategy (Revenue Funding Strategy);
- Guidelines from National Treasury contained in latest Budget Circulars; and
- Proposed tariff increases from Rand Water and ERWAT and NERSA indicative tariffs.
- The MTREF inflation forecast are subject to latest budget Circular to be issued by National Treasury and will be considered in the final budget.

Finance Department compiled the technical budget document for consultation with the departments within the City and its entities. The new administration revived the Budget Steering Committee (BSC) as required by sub-regulation 4 of the Municipal Budget and Reporting Regulations. The purpose of the BSC is to provide guidance over the budget process in terms of immediate and long-term priorities and to the extent of guiding the proper determination on the City's resource allocation.

6.2. Amended 2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (2026/27) AND DRAFT 2026/27 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Background

The IDP, is in terms of the Local Government: Municipal Systems Act, 32 of 2000 (MSA) Section 25 a **single, inclusive and strategic plan** for the development of the municipality. Each municipal council is required by Chapter 5; Section 25 of the Local Government Municipal Systems Act, 32 of 2000 (MSA) to within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of its municipality which;

- links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- aligns the resources and capacity of the municipality with the implementation plan;
- forms the policy framework and general basis on which annual budgets must be based;
- complies with the provisions of the chapter; and
- is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

Section 30 of the MSA, 32 of 2000 requires the Executive Mayor of a municipality to manage the drafting of the municipality's integrated development plan, assign the responsibilities in this regard to the municipal manager and submit the draft plan to the municipal council for adoption by the council.

This is also in line with the requirements of the Local Government Municipal Finance Management Act 56 of 2003 which states that the mayor must coordinate the process for preparing the annual budget and for reviewing the integrated development plan and budget related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget related policies are mutually consistent and credible (Local Government Municipal Finance Management Act, 56 of 2003 Section 21 (1) (a)).

Annexure A contains the Draft Amended 2026/27 IDP. The IDP must in terms of section 26 of the MSA reflect; the municipal councils vision for the long term development of the municipality, an assessment of the level of development of the municipality, the councils development priorities and objectives for its elected term, the councils development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding the municipality in terms of legislation, a spatial development framework, the councils operational strategies, applicable disaster management plans, a financial plan which must include budget projection for at least the next three years, and the key performance indicators and performance targets determined in terms of section 41 of the MSA.

The Local Government Municipal Planning and Performance Management Regulations 2001 require a municipality's integrated development plan to identify the institutional framework which must include an organogram. The city is institutionalising the Metro Trading Services reform as part of the city's institutional review and the organisational structure was approved in this regard.

The Metro Trading Services Reform programme is according to National Treasury 2025 a national government initiative, endorsed by Cabinet and one of government's priority programmes to support economic development and improve social outcomes by turning around the long-term decline in the provision of three municipal trading services electricity, water and wastewater, and solid waste management, which undermines the constitutional rights of citizens, job creation and economic growth. The purpose of the programme is to enable effective performance of the trading services and to improve service performance and outcomes, improving the quality and reliability of services which in turn can support livelihoods, investment and job creation in the municipalities.

The intended benefit of the programme is an increase in investment in infrastructure and job creation and improved operations and maintenance of the three trading services resulting in the improved reliability and quality of these services therefore benefiting both households and businesses who bear the cost of service interruptions.

The Metro Trading Services reform (water, energy and waste management) is progressing as planned to enable the achievement of a Single Point of Management Accountability by ensuring that all aspects of the trading services are managed effectively with a focus on improving service reliability and quality. The process includes amongst others ensuring that there is institutional accountability, financial transparency (including cash collection, debt management and self-financing), synchronized transfer of functions for proper governance and performance management, change management to ensure organisational alignment and labour management, finalization of the organizational structure, development of financial models and the unbundling and reconfiguration of the financial system to ensure that the metro trading services are resourced**.** The metro trading services reform process intends to ensure that trading services operations are viable and efficient, and it will define clear responsibilities at leadership level to ensure accountability for improved reliable services.

The table below summarises the development priorities and objectives for the elected term, the municipality's long-term objectives (GDS 2055), the IDP strategic objectives and outcome indicators.

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
METRO TRADING SERVICES CLUSTER				
Energy Business Unit				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance				
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	EE1. Improved access to electricity	EE1.1 Percentage of households with access to electricity	EE1.11 Number of dwellings provided with connections to the mains electricity supply by the municipality
				EE1.13 Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	EE3. Improved reliability of electricity service	EE3.5 Average System Interruption Duration Index	
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	EE3. Improved reliability of electricity service	EE3.6 Average System Interruption Frequency Index	
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	EE4. Improved energy sustainability	EE4.5 Municipal electricity consumption per 10 000 of the population	
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. Strategic Objective 2: To build a clean capable and modernized local state				
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	EE4. Improved energy sustainability	EE 4.4 Percentage total electricity losses	EE4.41 Industrial and commercial metering performance
				EE4.42 Prepayment efficiency
				EE4.43 Percentage of automated meter reading coverage
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to	FM2. Improved financial sustainability and liability management	FM2.2 Percentage change in cash backed reserves reconciliation	FM2.21 Cash backed reserves reconciliation at year end

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
	Service Delivery			
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.12 Current ratio (current assets/current liabilities)
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.13 Trade payables to cash ratio
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.14 Liquidity ratio
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM4. Improved expenditure management	FM4.3 Percentage of total operating expenditure on contracted services	FM4.31 Creditors payment period
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.3 Percentage change of repairs and maintenance of existing infrastructure	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.1 Percentage change in Gross Consumer Debtors' (Current and Non-current)	FM7.12 Collection rate ratio
Energy Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	FM7.31 Net Surplus /Deficit Margin for Electricity
Waste Management Business Unit				

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance				
Waste Management Business Unit	Sustainable Provision of Basic Services Local Economic Development Responsiveness to Service Delivery	ENV3. Increased access to refuse removal	ENV3.1 Percentage of households with basic refuse removal services or better	ENV 3.11 Percentage of recognised informal settlements receiving basic waste removal services
Waste Management Business Unit	Sustainable Provision of Basic Services Local Economic Development Responsiveness to Service Delivery	ENV3. Increased access to refuse removal	ENV3.2 Percentage of scheduled waste collection points experiencing collection delays of more than one day	
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. Strategic Objective 2: To build a clean capable and modernized local state				
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM2. Improved financial sustainability and liability management	FM2.2 Percentage change in cash backed reserves reconciliation	FM2.21 Cash backed reserves reconciliation at year end
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.12 Current ratio (current assets/current liabilities)
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.13 Trade payables to cash ratio
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.14 Liquidity ratio
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM4. Improved expenditure management	FM4.3 Percentage of total operating expenditure on contracted services	FM4.31 Creditors payment period
Waste Management Business Unit	Sustainable Provision of Basic Services	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
	Responsiveness to Service Delivery			
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.3 Percentage change of repairs and maintenance of existing infrastructure	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.1 Percentage change in Gross Consumer Debtors' (Current and Non-current)	FM7.12 Collection rate ratio
Waste Management Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	FM7.34 Net Surplus /Deficit Margin for Refuse
GDS Thematic area: Re-generate to achieve environmental well-being. Strategic Objective 4: To protect the natural environment and promote resource sustainability				
Waste Management Business Unit	Sustainable Provision of Basic Services Local Economic Development Responsiveness to Service Delivery	ENV2. Improved Solid Waste Management	ENV2.1 Tonnes of municipal solid waste sent to landfill per capita	ENV 2.11 Percentage functionality of municipal weighbridge infrastructure ENV 2.12 Percentage compliance of waste management facilities ENV 2.13 Percentage of landfill sites with airspace monitoring
Waste Management Business Unit	Sustainable Provision of Basic Services Local Economic Development Responsiveness to Service Delivery	ENV2. Improved Solid Waste Management	ENV2.2 Tonnes of municipal solid waste diverted from landfill per capita	
Water and Sanitation Business Unit				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance				
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to	WS2. Improved access to water	WS2.1 Percentage of households with access to basic water supply	WS2.11 Number of new water connections meeting minimum standards.

2026/2027 IDP Alignment Table				
Department	IDP Pillar	Outcome	Outcome Indicator	Output Indicator
	Service Delivery			
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS3. Improved quality of water sanitation services	WS3.1 Frequency of sewer blockages per 100 KMs of pipeline	WS3.11 Percentage of callouts responded to within 24 hours (sanitation/wastewater)
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS3. Improved quality of water sanitation services	WS3.2 Frequency of water mains failures per 100 KMs of pipeline	WS3.21 Percentage of callouts responded to within 48 hours (water)
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS3. Improved quality of water sanitation services	WS3.3 Frequency of unplanned water service interruptions	
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS4. Improved quality of water (incl. wastewater)	WS4.1 Percentage of Drinking Water Samples Complying to SANS241	WS4.11 Percentage of water treatment capacity unused
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS4. Improved quality of water (incl. wastewater)	WS4.2 Percentage of wastewater samples compliant to water use license conditions	WS4.21 Percentage of trade effluent producers inspected for compliance
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery Community Safety	WS4. Improved quality of water (incl. wastewater)	WS4.5 Blue drop score	
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS5. Improved water sustainability	WS5.1 Percentage of non-revenue water	WS5.1 Percentage non-revenue water
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS5. Improved water sustainability	WS5.3 Total per capita consumption of water	WS5.31 Percentage of total water connections metered WS5.32 Percentage of metering performance
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS5. Improved water sustainability	WS5.4 Percentage of water reused	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS5. Improved water sustainability	WS5.5 Water security input volume as a percentage of raw water allocation	
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. **Strategic Objective 2: To build a clean capable and modernized local state**				
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS5. Improved water sustainability	WS5.2 Total water losses	WS5.21 Infrastructure leakage index
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM2. Improved financial sustainability and liability management	FM2.2 Percentage change in cash backed reserves reconciliation	FM2.21 Cash backed reserves reconciliation at year end
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.12 Current ratio (current assets/current liabilities)
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.13 Trade payables to cash ratio
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.14 Liquidity ratio
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM4. Improved expenditure management	FM4.3 Percentage of total operating expenditure on contracted services	FM4.31 Creditors payment period
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment
Water and	Sustainable	FM5. Improved asset	FM5.3 Percentage	FM5.31 Repairs and

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Sanitation Business Unit	Provision of Basic Services Responsiveness to Service Delivery	management	change of repairs and maintenance of existing infrastructure	Maintenance as a percentage of property, plant, equipment and investment property
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.1 Percentage change in Gross Consumer Debtors' (Current and Non-current)	FM7.12 Collection rate ratio
Water and Sanitation Business Unit	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	FM7.32 Net Surplus /Deficit Margin for Water
East Rand Water Care Association (ERWAT)				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. **Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance**				
East Rand Water Care Association (ERWAT)	Sustainable Provision of Basic Services Responsiveness to Service Delivery Community Safety	WS4. Improved quality of water (incl. wastewater)	WS4.4 Green drop score	
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. **Strategic Objective 2: To build a clean capable and modernized local state**				
East Rand Water Care Company (ERWAT)	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	FM7.33 Net Surplus /Deficit Margin for Wastewater
Enterprise Programme Management Office				
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. **Strategic Objective 2: To build a clean capable and modernized local state**				
Enterprise Programme Management Office (EPMO)/Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM1. Enhanced municipal budgeting and budget implementation	FM1.1 Percentage of expenditure against total budget	FM1.11 Total Capital Expenditure as a percentage of Total Capital Budget
Finance				
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. **Strategic Objective 2: To build a clean capable and modernized local state**				
Finance/Development Planning and Real Estate	Sustainable Provision of Basic Services	HS2. Improved functionality of the residential property market	HS2.2 Percentage of residential properties in the subsidy market	HS2.21 Number of residential properties developed through state-subsidised human settlements programmes

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
	Land and housing Responsiveness to Service Delivery			entering the municipal valuation roll
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG3. Improved Municipal administration	GG 3.1 Audit Opinion	GG 3.11 Number of repeat audit findings
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM1. Enhanced municipal budgeting and budget implementation	FM1.1 Percentage of expenditure against total budget	FM1.11 Total Capital Expenditure as a percentage of Total Capital Budget
				FM1.12 Total Operating Expenditure as a percentage of Total Operating Expenditure Budget
				FM1.13 Total Operating Revenue as a percentage of Total Operating Revenue Budget
				FM1.14 Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM2. Improved financial sustainability and liability management	FM2.1 Percentage of total operating revenue to finance total debt	
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM2. Improved financial sustainability and liability management	FM2.2 Percentage change in cash backed reserves reconciliation	FM2.21 Cash backed reserves reconciliation at year end
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	FM3.11 Cash/Cost coverage ratio
				FM3.12 Current ratio (current assets/current liabilities)
				FM3.13 Trade payables to cash ratio
				FM3.14 Liquidity ratio
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM4. Improved expenditure management	FM4.2 Percentage of total operating expenditure on remuneration	
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM4. Improved expenditure management	FM4.3 Percentage of total operating expenditure on contracted services	FM4.31 Creditors payment period

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.1 Percentage change of own funding (Internally generated funds + Borrowings) to fund capital expenditure	FM5.11 Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings) FM5.12 Percentage of total capital expenditure funded from capital conditional grants
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.2 Percentage change of renewal /upgrading of existing Assets	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM5. Improved asset management	FM5.3 Percentage change of repairs and maintenance of existing infrastructure	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.1 Percentage change in Gross Consumer Debtors' (Current and Non-current)	FM7.11 Debtors payment period FM7.12 Collection rate ratio
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	FM7. Improved revenue and debtors management	FM7.2 Percentage of Revenue Growth excluding capital grants	
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Optimised closed of billed revenue	FIN 1 Percentage of billed amounts collected	FIN1.1 Percentage of billed amounts collected
GDS Thematic Area: Re-industrialise in order to achieve job creating economic growth. Strategic Objective 5: To create an enabling environment for inclusive growth and job creation				
Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	LED2. Improved levels of economic activity in municipal economic spaces	LED2.1 Rates revenue as a percentage of the total revenue of the municipality	LED2.11 Percentage of budgeted rates revenue collected LED 2.12 Percentage of the municipality's operating budget spent on indigent relief for free basic services
ECONOMIC INFRASTRUCTURE AND DEVELOPMENT AGENCY CLUSTER				

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Human Settlement				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance				
Human Settlement	Land and Housing Responsiveness to Service Delivery	HS1. Improved access to adequate housing (incl. security of tenure)	HS1.1 Percentage of households living in adequate housing	HS1.11 Number of subsidised housing units constructed using various Human Settlements Programmes
				HS1.12 Number of serviced sites
				HS1.13 Hectares of land acquired for human settlements in the municipal area
Human Settlement	Land and Housing Responsiveness to Service Delivery	HS1. Improved access to adequate housing	HS1.3 Percentage of informal settlements upgraded to Phase 3	HS1.31 Number of informal settlements assessed (enumerated and classified)
				HS1.32 Number of informal settlements upgraded to Phase 2
Human Settlement	Land and Housing Responsiveness to Service Delivery	HS2. Improved functionality of the residential property market	HS2.3 Percentage of households living in formal dwellings who rent	
Human Settlement	Land and Housing Responsiveness to Service Delivery	Adequate housing and improved quality living environments.	HSD1 % reduction in housing backlog	HS1.11 Number of subsidised housing units constructed using various Human Settlements Programmes
Human Settlement	Sustainable Provision of Basic Services Responsiveness to Service Delivery	WS1. Improved access to sanitation	WS1.1 Percentage of households with access to basic sanitation	WS1.11 Number of new sanitation connections meeting minimum standards
Human Settlement	Land and Housing Responsiveness to Service Delivery	Increased provision of services to informal settlements	HSD.2 % of informal settlements provided with interim basic services	HSD1.2 Number of informal settlements provided with interim basic services
Roads and Transport Management				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance				
Roads and Transport Management	Sustainable Provision of Basic Services Responsiveness to Service Delivery	TR6 Improved quality of municipal road network	TR6.2 Number of potholes reported per 10kms of municipal road network	TR 6.21 Percentage of reported pothole complaints resolved within standard municipal response time
Roads and Transport Management	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Improved condition of roads	RSD1 km of municipal roads provided to reduce backlogs	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Roads and Transport Management	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Flooding and damage to infrastructure risks reduced	RSD2 No of required municipal storm water drainage network added	RSD 1.3 Number of Storm water systems constructed
Roads and Transport Management	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Improved quality of municipal road network	RSD3 KM of road network maintained.	RSD 1.2 Kilometers of road network maintained
Roads and Transport Management	Sustainable Provision of Basic Services Responsiveness to Service Delivery	TRAF3. Reduced travel time	TRAF3.1A KM of Harambee routes Operationalized	
Development Planning and Real Estate				
GDS Thematic Area: Re-Urbanise: To achieve sustainable urban integration. **Strategic Objective 1: To deliver reliable, affordable, and sustainable services and ensure improved infrastructure maintenance**				
Development Planning and Real Estate	Land and Housing Responsiveness to Service Delivery	Improved security of tenure	CP1 Number of post 1994 townships regularized	
Development Planning and Real Estate/Finance	Sustainable Provision of Basic Services Land and housing Responsiveness to Service Delivery	HS2. Improved functionality of the residential property market	HS2.2 Percentage of residential properties in the subsidy market	HS2.22 Average number of days taken to process building applications of less than 500 square meters
Development Planning and Real Estate	Sustainable Provision of Basic Services Land and Housing Responsiveness to Service Delivery	Increased access to land for development	RED.1 Number of land parcels packaged and released for developments city wide.	RED 1.1 Number of land parcels released for developments city wide.
GDS Thematic Area: Re-industrialise in order to achieve job creating economic growth. **Strategic Objective 5: To create an enabling environment for inclusive growth and job creation**				
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	LED2. Improved levels of economic activity in municipal economic spaces	LED 2.2 Rateable value of commercial and industrial property per capita	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	Increase Ekurhuleni GDP growth, employment opportunities and the City's revenue baseline	EDD1 Rand Value of investments attracted	EDD 1.1 R-value of investments attracted
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	Increase Ekurhuleni GDP growth, employment opportunities and the City's revenue baseline	EDD2 R'value of Revenue Generated from leasing of township hubs and Business Licenses & Permits.	EDD1.2 Rand value of revenue generated from leasing of township hubs
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development Food Security	Increase Ekurhuleni GDP growth, employment opportunities and the City's revenue baseline	EDD3 Rand-value generated in EFPM	EDD1.4 Rand value generated in Ekurhuleni Fresh Produce Market (EFPM)
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	Improved skills and capacity amongst Ekurhuleni residents	EDD4 R'value of Skills Development, Job Creation & Enterprise Development Grant Funding Secured.	EDD4.1 Rand value of grant funding secured through Public Private Partnerships
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	Reduce unemployment	EDD5 Number of work opportunities through EPWP, and other related infrastructure programmes	LED1.21 Number of work opportunities created by the municipality through public employment programmes (incl. EPWP, CWP and other related employment programmes)
Development Planning and Real Estate	Sustainable Provision of Basic Services Responsiveness to Service Delivery Local Economic Development	Improved skills and capacity amongst Ekurhuleni residents	EDD6 Number of CoE enterprises developed	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
SOCIAL AND CORPORATE SERVICES CLUSTER				
Information Communications Technology (ICT)				
Information Communications Technology (ICT)	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Improved communications	ICT1 Number of new Wi-Fi hotspots/nodes provided with Wi-Fi	ICT 1.2 Number of Wi-Fi hotspots /nodes provided with Wi-Fi
Information Communications Technology (ICT)	Sustainable Provision of Basic Services Responsiveness to Service Delivery	Improved communications	ICT2. Km of (fibre) broadband installed	ICT 1.1 Kilometer of (fibre) broadband installed and commissioned.
Human Resources				
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. Strategic Objective 2: To build a clean capable and modernized local state				
Human Resources	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG1. Improved municipal capability	GG 1.1 Percentage of municipal skills development levy recovered	
Human Resources	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG1. Improved municipal capability	GG 1.2 Top Management Stability	GG 1.21 Staff vacancy rate GG1.22 Percentage of vacant posts filled within 6 months
Internal Audit				
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. Strategic Objective 2: To build a clean capable and modernized local state				
Internal Audit/Human Resources	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG5. Zero tolerance of fraud and corruption	GG 5.1 Number of alleged fraud and corruption cases reported per 100 000 population	GG 5.11 Number of active suspensions longer than three months
Legislature				
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. Strategic Objective 2: To build a clean capable and modernized local state				
Legislature	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG 2. Improved municipal responsiveness	GG 2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan).	GG 2.11 Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor) GG 2.12 Percentage of wards that have held a quarterly councillor-convened community meeting
Legislature	Sustainable Provision of Basic Services	GG2. Improved municipal responsiveness	GG 2.2 Attendance rate of municipal council meetings by	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
	Responsiveness to Service Delivery		participating leaders (recognised traditional and/or Khoi-San leaders)	
Legislature/ Finance	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG3. Improved municipal administration.	GG 3.1 Audit Opinion	GG 3.12 Percentage of councillors who have declared their financial interests.
Legislature	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG4. Improved council functionality	GG 4.1 Percentage of councillors attending council meetings	
Community Safety				
GDS Thematic Area: Re-mobilise to achieve social empowerment. **Strategic Objective 3: To promote safer healthy and socially empowered communities**				
Community Safety (Fire and Disaster Management)	Community Safety Responsiveness to Service Delivery Local Economic Development	FD1. Mitigated effects of fires and disasters	FD 1.1 Number of fire related deaths per 100 000 population	FD 1.11 Percentage compliance with the required attendance time for structural firefighting incidents
Community Safety ((Fire and Disaster Management)	Community Safety Responsiveness to Service Delivery Local Economic Development	FD1. Mitigated effects of fires and disasters	FD 1.2 Number of disaster and extreme weather-related deaths per 100 000 population	
Community Safety (Fire and Disaster Management)	Community Safety Responsiveness to Service Delivery Local Economic Development	FD2. Reduced risk of fire and disaster vulnerability	FD2.1 Disaster Management Centre Readiness	
Community Safety (Fire and Disaster Management)	Community Safety Responsiveness to Service Delivery Local Economic Development	FD2. Reduced risk of fire and disaster vulnerability	FD2.2 Fire Services function in accordance with prescribed requirements	
Community Safety (Ekurhuleni Metropolitan Police Department)	Community Safety Local Economic Development Responsiveness to Service Delivery	Improved community safety	**EMPD 1** Percentage increase in interventions to reduce crime and related incidents	EMP2 Number of interventions implemented to reduce crime and related incidents

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
	Sustainable Provision of Basic Services			
Community Safety (Ekurhuleni Metropolitan Police Department)	Community Safety Local Economic Development Responsiveness to Service Delivery Sustainable Provision of Basic Services	Protection of City's facilities	**EMPD 2** Percentage of CoE facilities protected	EMP 3 Percentage of CoE facilities protected
Community Safety (Ekurhuleni Metropolitan Police Department)	Community Safety Local Economic Development Responsiveness to Service Delivery Sustainable Provision of Basic Services	Reduction of vandalism/theft on COE facilities	**EMPD 3** Percentage decrease in the number of vandalism or theft incidents reported at the CoE facilities with security measures	EMP 4 Percentage decrease in the number of vandalism or theft incidents reported at the CoE facilities with security measures
Community Safety (Ekurhuleni Metropolitan Police Department)	Community Safety Local Economic Development Responsiveness to Service Delivery Sustainable Provision of Basic Services	Increased safety of CoE facilities	**EMPD 4** Percentage increase in interventions to reduce incidents of vandalism and/theft on city's facilities	EMP 5 Number of interventions implemented to reduce incidents of vandalism and/theft in protected City of Ekurhuleni Facilities
GDS Thematic Area: Re- Govern to achieve effective cooperative governance. **Strategic Objective 2: To build a clean capable and modernized local state**				
Community Safety (Ekurhuleni Metropolitan Police Department)/Service Devery Coordination	Sustainable Provision of Basic Services Responsiveness to Service Delivery	GG2. Improved municipal responsiveness	GG2.3 Protest incidents reported per 10 000 population	GG2.31 Percentage of official complaints responded to through the municipal complaint management system
Community Services				
GDS Thematic Area: Re-mobilise to achieve social empowerment. **Strategic Objective 3: To promote safer healthy and socially empowered communities**				
Community Services	Land and Housing Local Economic Development	HS3. Increased access to and utilisation of social and community	HS 3.5 Percentage utilisation rate of community halls	

2026/2027 IDP Alignment Table				
Department	**IDP Pillar**	**Outcome**	**Outcome Indicator**	**Output Indicator**
(SRAC-Operations, Sport and Recreation)	Responsiveness to Service Delivery	facilities		
Community Services (SRAC-Operations, Sport and Recreation)	Land and Housing Local Economic Development Responsiveness to Service Delivery	HS3. Increased access to and utilisation of social and community facilities	HS 3.6 Average number of library visits per library	
GDS Thematic area: Re-generate to achieve environmental well-being. Strategic Objective 4: To protect the natural environment and promote resource sustainability				
Community Safety (Parks and Cemeteries)	Sustainable Provision of Basic Services Local Economic Development Responsiveness to Service Delivery	HS3. Increased access to and utilisation of social and community facilities	HS3.7 Percentage of municipal cemetery plots available	

The IDP must be reviewed annually by the municipal council in accordance with an assessment of its performance measurement in terms of Section 41 of the MSA, 32 of 2000, and to the extent that changing circumstances so demand, as required by Section 34 (a) of the Local Government Municipal Systems Act, 32 of 2000 and may be amended in accordance with a prescribed process. (MSA, 32 of 2000 Section 34 (b)); and the process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft, must in terms of Section 29 (1) (a) be in accordance with a predetermined programme specifying timeframes for the different steps.

Section 53 of the Local Government Municipal Finance Management Act 56 of 2003 requires the mayor of a municipality to; coordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget (section 53 (1) (b)), and to take all reasonable steps to ensure in terms of section 53 (1)(c)(i) that the municipality approves its annual budget before the start of the financial year and in line with section 53 (1)(c)(ii) that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget. The SDBIP contains annual performance indicators (output) and service delivery targets to be achieved that are aligned to the outcome (IDP) indicators and service delivery targets in the IDP. **Annexure D** contains the draft 2026/27 SDBIP Performance indicators and service delivery targets.

The Department of Cooperative Governance -National Strategic Hub has developed a Living Municipal IDP Portal, on which municipalities will be able to compile and publish legally compliant IDPs in a streamlined manner. The intention is for the portal to integrate the extensive data available on the National Strategic Hub to automatically populate much of the situational analysis and context information in the IDPs and keep it updated when annual reviews are undertaken. In addition, the digital platform will enable municipalities to link municipal priorities to the outcomes of the other spheres of government, as well as international frameworks, and will also digitally link projects and programmes to municipal priorities. The City of Ekurhuleni is one of the pilot municipalities for the National Strategic Hub Living Municipal IDP Portal.

The amendments to the 2022/2023-2026/2027 IDP were influenced by changing circumstances within the city, and the MEC Co-operative Governance and Traditional Affairs comments on the CoE 2025/2026 Council Adopted IDP amongst others. The amendments to the 2022/2023-2026/2027 IDP are summarised as follows:

The IDP was amended to include messages from the Executive Mayor Alderman Nkosindiphile Xhakaza and the City Manager Mr Kagiso Lerutla.

The IDP was amended to include an Executive summary.

Chapter 1 (Introduction) was reviewed and amended based on the review and amendment of the document (IDP) as well as to include of the city's powers and functions.

Chapter 2 contains the city's Vision, Misson, Values Goals and Objectives.

Chapter 3 (CoE Situational analysis) was reviewed and amended based on the latest information/statistics from various sources including the Statistics South Africa and the Gauteng City Region (GCRO) Quality of Life Survey 7 2023/2024.

Chapter 4 (Community and Stakeholder Participation and development and community needs) was reviewed and amended based on legislative requirements. The MSA Section 29 requires that the local community be consulted on its development needs and priorities. This was done in October 2025 as part of the 2026/2027 IDP review and Budget process. The chapter was updated with the CoE Public Participation Policy, 2023.

Chapter 5 (Governance and Institutional Arrangements) was reviewed and amended as a result of the changes brought upon by the Institutional Review and the approved Organisational Structure as well the filling of vacancies and to reflect the city's skills requirements, Strengths and weaknesses as well as Employment Equity.

Chapter 6 (City of Ekurhuleni Planning Context) was amended to update the G13 plus 1 priorities.

Chapter 7 (City of Ekurhuleni Development Objectives and Implementation Strategies) was reviewed and amended to update the CoE IDP Objectives and Implementation Strategies (e.g. updated economic objectives and strategy and updated Climate Change Response Plan, 2025) and include the United Nations Sustainable Development Goals as well as to comply with The Local Government Municipal Finance Management Act (MFMA) Circular 88 Addendum 7 (December 2025).

Chapter 8 (MSDF) was reviewed and amended to present the Council approved City of Ekurhuleni Municipal Spatial Development Framework (MSDF) 2025 which reflects the city's Spatial, economic and development rationale, the desired spatial outcome and the spatial strategies as well as to update the Capital Expenditure Framework (CEF) and the capital projects.

The CoE MSDF and supportive RSDFs were approved and adopted by Council on 4 December 2025 [under Item A-DP&RE (29-2025)] and subsequently proclaimed in the Gauteng Provincial Gazette on 24 December 2025, which is also the date on which the approved MSDF and supportive RSDFs became operational.

Chapter 9 (Multi-year Financial Plan) was reviewed and amended to provide a summary of the 2026/2027 –2028/2029 MTREF contained in Annexure B of the IDP/Budget documents and to include, a summary of the CoE Financial Strategy, Projections of Financial Performance (A1), Capital Expenditure and Financing (A5), Projection of Financial Position (A6), Project of Cash Flow (A7), Financial Ratios (MFMA Circular 42) and comments to the financial plan.

Chapter 10 (Intergovernmental Alignment) was reviewed and amended to update the city's response to the comments from the MEC: Co-operative Governance and Traditional Affairs on the CoE Council adopted 2025/2026 Amended IDP; the latest 2026 State of the Nation, State of the Province Addresses; National and Provincial Budget Speeches and the latest or updated national/provincial projects to be implemented in Ekurhuleni.

Chapter 11 (Organisational Performance Management) was reviewed and amended to update the city's performance management process.

Chapter 12 (Risk Management) the Institutional Risks were reviewed and amended based on changing circumstances affecting the implementation and achievement of the IDP objectives.

Chapter 13 (Disaster Management Plan) was reviewed and amended based on the latest disaster risks and to ensure alignment with national and provincial legislative requirements.

Chapter 14 (City of Ekurhuleni Sector Plans) was amended to update the status of the CoE Sector Plans.

Chapter 14 (Conclusion) was reviewed and amended based on the amendments to the IDP.

The table below lists the chapters contained in this amended 2026/27 IDP.

		Executive Summary
Chapter 1		**Introduction**
Chapter 2		**City of Ekurhuleni Vision, Mission, Values, Goals and Objectives**
Chapter 3		**City of Ekurhuleni Situational Analysis**
Chapter 4		**Community and Stakeholder Participation and development and community needs**
Chapter 5		**Governance and Institutional Arrangements**
Chapter 6		**City of Ekurhuleni Planning Context**

Chapter 7		City of Ekurhuleni 2022/2023 -2026/27 Development Objectives and Implementation Strategies
Chapter 8		COE Municipal Spatial Development Framework
Chapter 9		Multi Year Financial Plan
Chapter 10		Intergovernmental Alignment
Chapter 11		Organisational Performance Management
Chapter 12		Risk Management
Chapter 13		Disaster Management Plan
Chapter 14		City of Ekurhuleni Sector Plans
Chapter 15		Conclusion

The Constitution in Section 153 describes the developmental duties of municipalities and indicates that a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community and participate in national and provincial development programmes.

The Municipal systems Act, 32 of 2000 takes its cue from the principles contained in the Constitution on participatory democracy and requires that the municipality create an enabling environment for the community to engage with the city's planning process as outlined in Section 16(1) 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, and (iv) the preparation of the budget amongst others.

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 and the documents referred to in section 17 (3), and (ii) invite the local community to submit representations in connection with the budget; and (b) submit the annual budget (i) in both printed and electronic formats to the National Treasury and the relevant provincial treasury, and (ii) in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.

Section 23 of the MFMA requires council to consider any views of the local community and the National Treasury, the relevant provincial treasury and any provincial or national organ of state or municipalities which made submissions on the budget and (2) after considering the budget submissions, the council must give the mayor an opportunity (a) to respond to the submissions; and if necessary to revise the budget and table amendments for consideration by the council.

The 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. The public comment process on the council tabled draft 2026/27 Amended IDP and the draft 2026/27-2028/29 MTREF is implemented in terms of chapter 4 of the MSA and will take place from 7 to 16 April 2026 as outlined in the table below.

Proposed Date	CCA	Proposed Time	Proposed Venue	Ward Number
Tuesday 07 April 2026	Tsakane	18:00	Faranani Indoor Centre	81,82,83,84,85,99,112
Tuesday 07 April 2026	Thokoza	18:00	Sam Ntuli Indoor Sports Centre	52,53,54,56 ;57 & 58
Wednesday 08 April 2025	Katlehong 2	18:00	Palm Ridge Hall	59,60,61,62,63,101,103
Wednesday 08 April 2025	Etwatwa	18:00	Stompie Skhosana Hall	26,65,66,67, 109
Wednesday 08 April 2025	Kwathema	18:00	Kwathema Civic Hall	74,77,78,79,80,81
Thursday 09 April 2026	Civic Organisations	10:00	Germiston Banquet Hall	
Thursday 09 April 2026	Germiston	18:00	Dinwiddie Hall	21, 35,36,37, 39, 41, 42 92, 93
Thursday 09 April 2026	Benoni,	18:00	Actonville Community Hall	24,27,28,29,30,73 ,110
Thursday 09 April 2026	Tembisa 1	18:00	Rabasotho Hall	4,5,6,8,9,12,14 ,90
Saturday 11 April 2026	Youth Formations	10:00	Germiston Lapa	
Monday 13 April 2026	Alberton	18:00	Alberton Civic Hall	37,38,94,106
Monday 13 April 2026	Kempton Park	18:00	Kempton Park Civic Hall	13,15,16,17,23,25,91,104
Monday 13 April 2026	Springs	18:00	Springs Supper Hall	72,74,75,76
Tuesday 14 April 2026	Business Forum	08:30		
Tuesday 14 April 2026	Duduza	18:00	Duduza Monty Motloung Hall	86, 87 ,98

Proposed Date	CCA	Proposed Time	Proposed Venue	Ward Number
Tuesday 14 April 2026	Boksburg	18:00	Boksburg Town Hall	22, 23, 32, 33, 34, 43
Tuesday 14 April 2026	Katlehong 1	18:00	D H Williams Hall	40,48,49, 50, 51, 52,55, 107, 108
Wednesday 15 April 2026	Vosloorus	18:00	Vosloorus Civic Hall	44; 45; 46; 47; 64; 95, 99,107
Wednesday 15 April 2026	Daveyton	18:00	Victor Ndlazilwana Hall	25,68, 69, 70, 71, 96
Wednesday 15 April 2026	Tembisa 2	18:00	Olifantsfontein community Hall	1,2,3,7,89,100,102
Thursday 16 April 2026	Edenvale	18:00	Sam Hlalele Hall	10,11,12,18,19,20
Thursday 16 April 2026	Brakpan	18:00	Brakpan Indoor Sports Centre	31, 97, 105
Thursday 16 April 2026	Nigel	18:00	Mackenzie Hall	88,111

Meetings with the Oversight Committees

After the tabling of the draft budget and IDP at Council on 26 March 2026 for public comments, the draft documents will also be sent to oversight committees for their deliberations. Oversight committees are scheduled for 7 and 9 April and 7 and 12 May to engage and finalise proposals to the draft IDP and Budget. In line with the Council Standing Orders By-Law Section 20(2)(d) and (f) a Special Council Meeting (Budget Day) must be convened on Thursday 21 May for the Chair of Chairs to table Committee reports to council and referral for consideration, comments and investigations by the Executive Mayor. The oversight committees report will be tabled at a special mayoral committee to be held on Tuesday 26 May.

Subsequent to the above, the Executive Mayor or MMC Finance and Strategy will table the Budget Speech at a Special Council Meeting to be convened on Thursday 28 May and resolve on the IDP and Budget in line with the Council Standing Orders By-Law Section 20(2)(g).

6.3. KEY ASPECTS CONTAINED IN THE DRAFT BUDGET

The MFMA Circulars 132 issued on the 05th December 2025, provide guidance to municipalities and their entities on the preparation of their 2026/27 Medium Term Revenue and Expenditure Framework (MTREF). Some of the guidance provided in the Circular is highlighted below.

Economic Outlook

- South Africa's economy is expected to grow by 1.2 per cent in 2025/26, down from the 1.4 per cent estimated in the 2025/26 budget.

- Real GDP growth is forecast to strengthen, averaging 1.8 per cent over the medium-term, supported by a revival in investment as new infrastructure allocations take effect and reform implementation builds.
- Consumer inflation is projected to average 3.3 per cent in 2025/26 and 3.7 per cent in 2026/27. In the short term, reducing the inflation target to 3 per cent will result in more cuts in interest rates than would be the case under a 4.5 per cent target.
- Headline inflation declined to 4.4 per cent in the fourth quarter of 2024/25, resulting in average inflation of 4.4 per cent for the year.
- Household spending and private investment will rise due to higher real disposable income and lower borrowing costs.
- The City's economy, which is largely logistics and manufacturing, has been hard hit by the decline in the economy;
- The increase in unemployment, the prevailing high cost of living and the challenge of the economy to create jobs, affecting households' ability to pay for services.

MFMA Circular 132 (05th December 2025) showed the CPI projections as follows:

Fiscal year	2024/25 (Actual)	2025/26 (Estimate)	2026/27 (Forecast)	2027/28 (Forecast)	2028/29 (Forecast)
CPI Inflation	4.5%	3.3%	3.7%	3.3%	3.2%

Source: MFMA Budget Circular 132

Increases above the guidelines above will be justified in the municipal budgets.

National Treasury advises municipalities against **tabling unbalanced and unfunded budgets**. In the past three years, some municipalities had their budgets returned by National Treasury. These municipalities were required to table special adjustment budgets to align their expenditure plans with projected revenues and ensure that they have plans in place to pay their creditors, including Eskom and the Water Boards. Municipalities that did not table funded adjustment budgets had their tranches of the local government equitable share withheld as the MFMA (section 18) requires municipalities to table funded budgets. The City of Ekurhuleni **is not** part of these municipalities and does not intend to be, now and in the future.

6.4. SUMMARY OF MAJOR TARIFFS

Assessment rates increase is proposed at 3.7% linked to CPI.

Water tariff increase of 14% is proposed to cater for the cost of doing business, such as water reticulation and overhead costs.

ERWAT proposes a selling **tariff increase of 8.35% for domestic and industrial sewer customers**, to cater for the cost of doing business, such as sewer purification and overhead costs.

Refuse removal tariff increase is proposed at **3,7%** for domestic and business customers to cater for the cost of replacement specialized vehicles.

Electricity tariffs increase ranging between 8.76% and 9.01% is proposed subject to NERSA guidelines.

Sundry tariffs increases are in line with the CPI rate of **3.7%.**

Burial and Cemetery tariff increase is proposed **3.7% for both residents** and **non-residents.**

Similarly, the **Municipal Bus Services** tariffs were reviewed. These **increase by an average of 3.7%**.

The table below reflects the tariff assumptions for the 2026/27 MTREF for the major trading services rendered:

Service category	2025/26 Approved tariff increase	2026/27 Proposed tariff increase	2027/28 Proposed tariff increase	2028/29 Proposed tariff increase
	%	**%**	**%**	**%**
Property rates	0% (new valuation roll)	3.7%	3.3%	3.2%
Refuse removal	6%	3.7%	6%	6%
Water	15%	14%	14%	14%
Sanitation	10%	8.35%	10%	10%
Electricity	Ranges between 11.32% and 12.74%	Ranges between 8.76% and 9.01% (pending NERSA approval)	Ranges between 8.76% and 9.01% (pending NERSA approval)	Ranges between 8.76% and 9.01% (pending NERSA approval)

The financial sustainability of the 2026/27 MTREF is largely dependent on the collection level of billed income. Provision is made for a **collection level of 90%**. To achieve this collection, the CoE is implementing more robust credit control measures, develop new strategies to bill properties that remain unbilled, reduction of Electricity Losses and water Losses; and optimise existing revenue base and continue to implement the revenue enhancement strategy. This latter project is in progress and subjected to monitoring and valuation.

Over and above the targeted collection level, the implementation of the approved revenue forms part of the financial sustainability action plan, targeting to realise **R5.265** billion over the MTREF.

In terms of Council's social commitment to assist the poorer communities in the City, provision was also made for the **supply of free basic services and social contributions** to deserving households.

All residential owners will **continue to receive assessment rate exemption on the value of their homes. The first R150 000 is exempted for assessment rates**. Various other grants on assessment rates, such as pensioners' rebate, rebate to low income people, properties zoned for religious purposes, will continue in the new year.

Free basic services to deemed and registered indigents households is aligned to national legislation at 6kl for water and sanitation, and electricity at 50kWh per month. **Registered** indigents household will receive additional 4kl for water and sanitation.

Annual Budget Assessment and Bench-marking with other metros conducted by National Treasury

National Treasury will conduct a benchmark assessment of the budgets, inclusive of the tariff proposals, on the 11th May 2026 to compare the budget of the City with those of other metros. The outcome of this engagement will a good perspective on how it performs in comparison with other metros.

6.5. 2026/27 MTREF SUMMARY (OPERATING BUDGET)

The 2026/27 revenue and expenditure figures were arrived at after considering the resolutions from Mayoral Strategic Session, Budget Steering Committee and deliberations between Finance Department and the Senior Management Team (SMT) Lekgotla. The two outer year figures are based on the outcome of these engagements as well as application of tariff increases and CPI. These outer year figures are indicative and may change before the beginning of each year.

The details of the figures and are provided in **Annexure B**. The following table is a summary of the **consolidated** 2026/27 MTREF Operating Budget.

2026/27 MTREF Operating revenue

Description	Budget Year 2025/26			2026/27 Medium Term Revenue and Expenditure Framework		
	Adjusted Budget - 2025/26 R	YTD Actual - 2025/26 R	YTD % Actuals	DRAFT Budget - 2026/27 R	DRAFT Budget - 2027/28 R	DRAFT Budget - 2028/29 R
> CONSOLIDATED						
Exchange Revenue						
Service charges - electricity revenue	27,521,064,643	16,664,158,307	61%	29,267,710,633	31,885,257,167	34,737,993,032
Service charges - water revenue	7,902,782,004	5,862,587,722	74%	9,004,213,893	10,259,814,705	11,696,188,500
Service charges - sanitation revenue	5,381,631,041	3,230,126,096	60%	5,883,358,225	6,471,798,357	7,118,954,930
Service charges - refuse revenue	1,778,880,938	1,078,936,788	61%	1,844,516,544	1,955,285,134	2,072,581,701
Sale of Goods and Rendering of Services	161,522,348	106,832,529	66%	160,852,372	162,932,407	164,897,909
Agency services	348,280,865	237,150,290	68%	364,301,838	364,301,838	364,301,838
Interest earned from Receivables	1,325,692,893	1,024,467,063	77%	1,327,257,513	1,328,117,094	1,328,897,112
Interest earned from current and Non Curren	128,664,582	82,273,742	64%	129,304,800	129,919,700	130,570,299
Rental from fixed Assets	173,843,993	110,781,688	64%	182,096,393	188,573,732	195,089,585
Operational Revenue	183,177,342	83,688,674	46%	90,397,227	90,404,136	90,410,398
Non-Exchange Revenue						
Property rates	10,833,546,224	7,041,936,794	65%	11,363,551,439	11,738,548,629	12,114,182,187
Fines, penalties and forfeits	418,041,378	143,256,682	34%	530,389,022	530,389,022	530,389,022
Transfers and subsidies- Operational	7,103,334,095	4,877,349,879	69%	7,377,988,659	7,681,633,191	7,810,376,539
Interest	389,778,899	315,793,932	81%	313,196,669	313,196,669	313,196,669
Fuel Levy	1,795,381,000	1,196,920,000	67%	1,791,959,000	1,798,918,000	1,788,268,000
Operational Revenue-	879,757,619	627,034,159	71%	972,816,237	1,004,919,173	1,037,076,586
Total Revenue (excluding capital transfers and contributions)	**66,325,379,864**	**42,683,294,346**	**64%**	**70,603,910,464**	**75,904,008,954**	**81,493,374,307**

The following factors contributed to changes between the 2025/26 main adjusted budget and the 2026/27 proposed budget:

- Service charges revenue, including assessment rates, increases due to related tariff increases in section 6.4 of the report;
- Increase on Interest earned on receivables is based on expected collection rate of 90% due to the levels of unemployment and the state of the economy;
- Interest on investments increases as it is projected that the increased operating surplus will enable the City to gradually increase its investments; and
- Increase in other revenue items is linked to CPI of 3.7%, tariffs of sundry services such as cemeteries, library fees, municipal buses and advertising to name a few.

Operating revenue **increases from R66.325 billion in 2025/26** adjusted budget **to R70.603 billion in 2026/27**, an increase of 6.45% or R4.278 billion. It should be noted that the City does not intend to borrow from the market, rather to embark on optimal collection and the implementation of the revenue enhancement initiatives.

The 2026/27 MTREF operating expenditure is depicted in the table below.

2026/27 MTREF Operating Expenditure

Description	Budget Year 2025/26			2026/27 Medium Term Revenue and Expenditure Framework		
	Adjusted Budget - 2025/26 R	YTD Actual - 2025/26 R	YTD % Actuals	DRAFT Budget - 2026/27 R	DRAFT Budget - 2027/28 R	DRAFT Budget - 2028/29 R
> CONSOLIDATED						
Expenditure By Type						
Employee related costs	13,105,664,986	7,768,838,587	59%	14,384,279,191	15,010,544,405	15,659,712,723
Remuneration of councillors	177,669,114	110,555,036	62%	168,323,299	173,877,970	179,442,062
Debt impairment	6,773,068,541	3,894,741,194	58%	6,536,847,864	7,189,241,473	7,967,160,921
Depreciation & asset impairment	3,101,194,710	1,376,011,041	44%	3,107,653,981	3,164,463,666	3,256,595,375
Finance charges	1,591,590,805	500,077,370	31%	1,591,878,997	1,583,707,562	1,539,844,501
Bulk purchases - electricity	22,646,142,157	12,467,675,965	55%	24,357,193,816	26,551,776,979	28,944,092,084
Inventory consumed	7,981,960,422	4,034,859,103	51%	7,666,420,950	8,543,664,689	9,555,987,772
Contracted services	7,193,265,090	4,530,236,528	63%	7,722,939,887	8,272,404,146	8,780,893,629
Transfers and subsidies	969,604,174	444,434,097	46%	321,208,639	332,683,219	359,263,251
Irrecoverable debts written off	1,829,993	29,985,612	1639%	1,921,493	2,017,567	2,158,796
Other expenditure	1,952,973,025	1,134,904,331	58%	2,156,077,363	2,227,850,615	2,181,329,151
Other Losses	-	-	0%	1,655,787,242	1,887,597,456	2,071,861,100
Total Expenditure	**65,494,963,017**	**36,292,318,865**	**55%**	**69,670,532,722**	**74,939,829,747**	**80,498,341,365**
Surplus/(Deficit)	**830,416,847**	**6,390,975,480**		**933,377,742**	**964,179,207**	**995,032,942**

The 2026/27 MTREF operating expenditure was arrived at after taking into account the following factors:

- Employee related costs is expected to increase by 9.76%, salary increment in terms of SALGBC, increase relating to insourcing and 100% provision on trading services vacancies. 50% provision on other departments vacancies.
- Remuneration of Councillors is provided for at CPI, pending COGTA gazette.
- Debt impairment is based on expected collection rate of 90%,
- Metro trading services to be prioritised to ensure minimum compliance with the reforms and achievement of Performance Improvement Action Plan,
- Bulk purchases and water inventory aligned to proposed tariff increases,
- Repairs and maintenance is prioritised demonstrating efforts to meet NT target of 8% of Property, Plant and Equipment. The **R4.607** billion proposed budget in 2026/27 results in **8.1%** of PPE.
- Increase in property rates to fund fixed costs for non-trading services departments,
- Cost cutting measures to improve financial sustainability will be applied to the 2026/27 budget as it is informed by adjustment budget,
- Curtailment and implementing controls to limit excess consumption of indigents, and
- Increase on Other Expenditure is for Skills Development Levy linked to employee related costs.

Departments are expected to optimally utilise the city's internal staff. External service providers are to be used as additional capacity and in exceptional circumstances where internal staff cannot cover the entire service delivery needs of the department. Staff replenishment to prioritise core functional areas that are linked to the provision of essential services energy, water, waste, sanitation, roads, stormwater and community safety.

The repairs and maintenance expenditure has increased to **8.1% (R4.607 billion**) as a percentage of Property, Plant and Equipment.

Operating expenditure **increases from R65.494 billion in 2025/26** adjusted budget **to R69.670 billion in 2026/27**, an increase of 6.38% or R4.175 billion.

The budgeted operating **surplus is R830.4 million** for **2025/26** and increases to **R933.3 million** in **2026/27.**

6.6. 2026/27 MTREF SUMMARY (CAPITAL BUDGET)

The proposed consolidated Capital Budget for 2026/27 (including the two entities) as contained in the table below amounts to **R3.357 billion and is 0.06% (R1.8 million) more** when compared to the 2025/26 Adjusted Budget of **R3.355 billion.**

The following are the key capital budget principles:

- The capital MTREF will be funded on grants and own revenue {in line with the funding strategy}.
- Inherent Risk exist that financial institutions will not response to request external borrowing.
- The USDG grant being reduced to accommodate the UDFG grant specifically for Metro Trading Services which also incorporates NDPG projects and PPPSG feasibility studies.
- No new projects irrespective if they were over the MTREF budget.
- Completion of existing projects due to changes in grants allocation because of the implementation of Trading Reforms.
- The following key resolutions and prioritisations were included in the MTREF:
    - Tools of Trade in line with the “fixing the frontline” programme in relation to Equipment and Specialised Vehicles for trading services and other departments.
    - Purchasing of Alternative ablution facilities for informal settlements

2026/27 - 2028/29 - DRAFT MULTI YEAR CAPITAL BUDGET - PER DEPARTMENT				
Department	**Adjusted Budget 2025/26**	**Draft Budget Year 2026/27**	**Draft Budget Year 2027/28**	**Draft Budget Year 2028/29**
Communications, Marketing and Tourism	750 000	2 000 000	1 500 000	
Community Safety	91 600 000	87 200 000	120 000 000	115 000 000
Community Services	95 250 000	93 000 000	102 930 500	113 400 000
Ekurhuleni Housing Company (EHC)	5 709 267	40 582 730	5 534 097	12 068 097
Energy	638 252 152	586 482 000	615 868 000	692 365 000
Enterprise Project Management Office		30 000 000	45 000 000	55 000 000
ERWAT	294 995 612	336 667 542	403 024 437	504 000 000
Executive Office	1 000 000	1 000 000	1 000 000	1 000 000
Human Settlement	489 274 501	486 732 665	523 910 590	575 540 495
Information and Communication Technology	215 000 000	150 000 000	130 000 000	133 100 000
Real Estate & Development Planning	30 736 220	32 500 000	40 500 000	24 000 000
Roads & Transport Management	570 850 000	488 967 252	464 260 014	474 398 762
Service Delivery Coordination	57 000 000	47 000 000	45 000 000	35 000 000
Waste Business Unit	197 800 000	250 786 000	279 500 000	284 000 000
Water and Sanitation	667 159 000	724 330 000	673 700 000	821 000 000
	3 355 376 752	**3 357 248 189**	**3 451 727 638**	**3 839 872 354**
Parent Municipality	3 054 671 873	2 979 997 917	3 043 169 104	3 323 804 257
Entities	300 704 879	377 250 272	408 558 534	516 068 097
Total	**3 355 376 752**	**3 357 248 189**	**3 451 727 638**	**3 839 872 354**

The capital budget, as informed by the City's long term funding strategy remains steady throughout the MTREF with a slightly bigger increase in 2028/29. Until the liquidity position of the City improves, there will be no borrowings during the MTREF as per recommendation by National Treasury until the liquidity position of the City improves. The detail of capital budget projects is in **Annexure C.**

2026/27 - 2028/29 DRAFT MULTI YEAR CAPITAL BUDGET - PER SOURCES OF FINANCE				
Source Of Finance	**Adjusted Budget 2025/26**	**Draft Budget Year 2026/27**	**Draft Budget Year 2027/28**	**Draft Budget Year 2028/29**
Informal Settlement Upgrading Partnership Grant (ISUPG)	769 706 000	720 285 665	832 256 590	858 121 495
SRAC Provincial Grant	12 200 000	9 400 000	13 215 500	9 400 000
Public Transport Network Grant (PTNG)	224 000 000	178 249 252	150 836 014	150 956 762
Revenue	756 515 879	767 743 272	677 616 534	828 177 097
Urban Development Financing Grant (UDFG)	154 906 720	1 178 852 000	1 329 979 000	1 624 775 000
Urban Settlement Development Grant (USDG)	1 438 048 153	502 718 000	447 824 000	368 442 000
Total	**3 355 376 752**	**3 357 248 189**	**3 451 727 638**	**3 839 872 354**
Own Revenue COE	656 311 000	670 046 000	563 515 000	633 100 000
Grants COE	2 398 360 873	2 309 951 917	2 479 654 104	2 690 704 257
Own Revenue Entities	100 204 879	97 697 272	114 101 534	195 077 097
Grants Entities	200 500 000	279 553 000	294 457 000	320 991 000
	3 355 376 752	**3 357 248 189**	**3 451 727 638**	**3 839 872 354**

The following should be noted from the sources of funding table above;

- External loans – The City will not borrow over the MTREF in line with Long Term Funding Strategy and National Treasury's recommendation; and

- Own Revenue funding (COE excluding entities) is limited to R670m in 2026/27, R563m in 2027/28 and R633m in 2028/29.
- Grants are as per the published 2026/27 Division of Revenue Act and the 2025/26 Provincial gazette, as the 2026/27 Provincial gazette is not yet released.

Capital Budget per Ward

It is appropriate to supply a complete list of capital projects per ward to councilors as part of this report and it is included as **Annexure C**.

6.7. PROPOSED POLICY CHANGES AND CONSIDERATIONS

The City's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The entire set of Budget Related Policies can be viewed on the CoE website: http://www.ekurhuleni.gov.za

It is required by legislation that amendments to all budget related policies must form part of the tabled budget. Some of the key policy review and consideration includes amongst others, but not limited to the following:

- **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.
- **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 – 50 kWh = Free Basic Electricity
  - Above 50 kWh = Flat tariff with cross-subsidization

6.8. LEGAL IMPLICATIONS

The tabling of the IDP and Budget in March 2026 will ensure compliance with Section 16 of the MFMA.

6.9. COMMUNICATION IMPLICATIONS

The delivery and approval of the IDP and budget to the community is widely communicated by the Communications Marketing and Tourism Department. The tabled document will also be distributed as per the required legislation, which inter alia includes CoE's website.

7. COMMENTS FROM RELEVANT DEPARTMENTS

All Departments participated in the development of the draft budget and IDP. The recommendations have been presented to the Senior Management Team and the Budget Steering Committee.

8. LIST OF ANNEXURES

Annexure A	2022/23–2026/27 Amended Integrated Development Plan (2026/2027).
Annexure B	2026/27 Draft Budget Book.
Annexure C	2026/27-2028/29 Draft Capital Budget per ward.
Annexure D	2026/27 Draft Service Delivery and Budget Implementation Plan (SDBIP) (Measurable Performance Indicators and targets).
Annexure E:	Reviewed Budget Related Policies and By-Laws.
Annexure F:	Tariffs, and.
Annexure G:	Service Level Standards

9. RECOMMENDATION

9.1 That the report regarding the Draft Medium-Term Revenue and Expenditure Framework for 2026/27 to 2028/29 and the amended Integrated Development Plan for 2022/23 to 2026/27 for the City of Ekurhuleni **BE NOTED.**

9.2 That the reviewed 2026/27 to 2028/29 tariffs and draft budget-related policies, as contained in the Budget Document in terms of Section 16 of the Municipal Finance Management Act **BE NOTED.**

9.3 That authority **BE GRANTED** to the City Manager and the Group Chief Financial Officer to negotiate a bridging finance to a maximum amount of **R500 million** (**five hundred million rand)**, in respect of bank overdraft facilities and/or the raising of short-term loans, including loans at call from Council's bankers, for the financial year ending 30 June 2026 in order to finance temporarily (within a period of one year) –

- Expenditure on the Capital Budget; or
- Expenditure on the Operating Budget incurred in anticipation of the receipt of revenue estimated and from which the expenditure would have been defrayed.

9.4 That the Draft Medium-term Revenue and Expenditure Framework for 2026/27 to 2028/29 and the amended Draft Integrated Development Plan for 2022/23 to

2026/27 financial period, inclusive of draft tariffs and draft budget-related policies, as contained in the Budget Document **BE SUBJECTED** to a detailed review and public participation process in terms of Sections 22 and 23 of the Municipal Finance Management Act ***read with*** Chapter 4 of the Municipal Systems Act and Section 3(4)b of the Municipal Planning and Performance Management Regulations.

9.5 That Council **note** that the draft amended Integrated Development Plan for 2022/23 to 2026/27 financial period will BE CAPTURED in the National Strategic Hub's Living Municipal IDP portal.

ADDITIONAL RECOMMENDATIONS.

1. **That** the tabling of the draft IDP and Budget for consideration to oversight committees on 7 and 9 April and 9 and 12 May **BE NOTED AND APPROVED.**

2. **That** a special council meeting **BE CONVENED** on Thursday 21 May in line with Standing orders section 20(2)(d) and (f) for the Chair of Chairs to table Committee reports to council and referral for consideration, comments and investigations by the Executive Mayor **BE NOTED AND APPROVED.**

3. **That** the convening of a special council (Budget Speech) Meeting on Thursday 28 May for the debate and resolution on the IDP and Budget in line with the Council Standing Orders By-Law Section 20(2)(g) **BE NOTED AND APPROVED.**