

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

MINUTES

OF THE SPECIAL BUDGET MEETING OF THE COUNCIL OF THE CITY OF CAPE TOWN HELD ON MONDAY 29 JUNE 2026 AT 10H00 VIA THE CITY'S DIGITAL PLATFORM (MS TEAMS).

MEMBERS PRESENT:

Cllr S Abbass (DI)	Cllr T Dedezana (ANC)	Cllr C Kobeni (DA)
Cllr M F Achmat (AJ)	Cllr D De Vos (DA)	Cllr N F Kopman (ANC)
Cllr A Adams (DA)	Cllr P W De Vos (DA)	Cllr A Kwebulana ((EFF)
Cllr R Adams (DA)	Cllr S Dickson (GOOD)	Cllr E Langenhoven (DA)
Cllr Y Adams (CMC)	Cllr X D Diniso (ANC)	Cllr A Lansdowne (DA)
Cllr A S Addinall (PA)	Cllr S S Duka (ANC)	Cllr U F Lasiti (DA)
Cllr M Adonis (DA)	Cllr B Duli-Mkinase (DA)	Cllr S Liell-Cock (DA)
Cllr F K Ah-Sing (DA)	Cllr A Z M I Elyas (DA)	Cllr A G Lightburn (DA)
Cllr W Akim (DA)	Cllr C J Esau (DA)	Ald X T Limberg (DA)
Ald E Andrews (DA)	Cllr P Francke (DA)	Cllr S Little (GOOD)
Ald R Arendse (DA)	Cllr C V Franklin (DA)	Cllr F P Lombard (DA)
Cllr A Arnolds (EFF)	Cllr A Gabuza (ANC)	Cllr N Lombi (ANC)
Cllr S August (DA)	Cllr M Gadeni (ANC)	Cllr J Loots (DA)
Cllr D Badela (ANC)	Cllr P George (ANC)	Cllr M Mabungani (ACDP)
Cllr Z A Badroodien (DA)	Cllr D R Goliath (CCC)	Cllr E M Madikane (ANC)
Cllr L Bam (EFF)	Cllr G E Gordon (DA)	Cllr B Majingo (DA)
Cllr U M Barends (DA)	Cllr T Gqada (DA)	Cllr S Mamkeli (GOOD)
Ald A J G Basson (DA)	Cllr K W Gxasheka (ANC)	Cllr M Manuel (DA)
Cllr A M Benadie (DA)	Cllr B Hansen (DA)	Cllr K Maré (DA)
Cllr L Benge (GOOD)	Cllr W Harris (DA)	Cllr M J Marr (DA)
Cllr F Berry (DA)	Cllr G Haskin (ACDP)	Cllr L Martin (ANC)
Cllr P N Booï (EFF)	Cllr P G Helfrich (DA)	Cllr J Martlow (DA)
Cllr S S Booyesen (DA)	Cllr A Hendricks (AJ)	Cllr D Z Masiu (DA)
Cllr E Botha-Rossouw (FF Plus)	Cllr P C Heynes (ANC)	Cllr V Matanzima (DA)
Cllr R Bresler (DA)	Cllr R C Hill (DA)	Cllr N Matutu (ANC)
Cllr R C Cameron (DA)	Executive Mayor G G Hill-Lewis (DA)	Cllr P Maxiti (DA)
Cllr R W Cannon (DA)	Cllr N Hlohla (PAC)	Cllr B Mayende (ANC)
Cllr K R Carls (DA)	Cllr M R Jacobs (ARA)	Cllr L Mazwi (EFF)
Cllr M A Cassiem (DA)	Cllr N Jacobs (CCC)	Cllr S Mbandezi (DA)
Cllr C Cerfontein (DA)	Ald W D Jaftha (DA)	Cllr L N Mbiza (ANC)
Cllr M N Chitha (ANC)	Cllr A Jansen (DA)	Cllr A P McKenzie (DA)
Cllr D Christians (DA)	Cllr E Jansen (DA)	Cllr B Mei (EFF)
Cllr B Clarke (DA)	Cllr C Janse van Rensburg (DA)	Cllr C M Mes (DA)
Cllr G J Classen (ARA)	Cllr P J Jansen van Vuuren (FF Plus)	Cllr S Meyer (FF Plus)
Cllr D G Cottee (ANC)	Ald C Jordaan (DA)	Cllr B Mhaga (DA)
Cllr J Cupido (GOOD)	Cllr N Jowell (DA)	Cllr J L Miller (CAPEXIT)
Cllr M Dambuza (EFF)	Ald C R Justus (DA)	Cllr J S Mills (DA)
Cllr C J Daniels (PA)	Cllr K Kama (ANC)	Cllr R Minnaar (CCC)
Cllr A Davids (CCC)	Cllr N Kayi (PA)	Cllr T M Mjuza (ANC)
Cllr C O Davids (GOOD)	Ald M L Kempthorne (DA)	Cllr M A Mkutswana (ANC)
Cllr R Davids (DA)	Cllr M R Kleinschmidt (DA)	Cllr Y Mohamed (DA)
	Cllr M E Kleinsmith (DA)	Cllr T Mokhathi (DA)

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

Ald S Moodley (DA)
Cllr A Moses (DA)
Cllr T Mpengezi (ANC)
Cllr N Mvinjelwa (DA)
Cllr P S Mzolisa (DA)
Ald I Neilson (DA)
Cllr D Nelson (DA)
Cllr W Neumann (GOOD)
Cllr B Ngcombolo (ANC)
Cllr B Ngubelanga (AIC)
Cllr M Nikelo (DA)
Cllr W M Nimmerhout (PA)
Cllr S Nodliwa (ANC)
Cllr A Notywala (GOOD)
Cllr M L Nqavashe (DA)
Cllr A Ntsodo (DA)
Cllr K Oliver (UIM)
Cllr G D Paige (ACDP)
Cllr R H Palm (GOOD)
Cllr C J Patrick (DA)
Cllr B L Payiya (ANC)
Cllr G C Peck (DA)
Cllr X Peter (ANC)
Cllr M J Petersen (DA)
Cllr L Phakade (ANC)
Cllr S Philander (DA)
Cllr T I Pimpi (ANC)
Cllr A Plaatjies (DA)
Cllr C Pophaim (DA)
Cllr A J Potts (DA)
Ald S Pringle (DA)
Cllr C B Punt (DA)
Ald F Purchase (DA)
Cllr Z L Qoba (ANC)
Cllr R M Quintas (DA)
Cllr M H Raise (DA)
Cllr F H Raymond (DA)
Cllr S Rigby (DA)
Ald S Rossouw (DA)
Cllr S Salie (AJ)
Cllr N Satarien (CCC)
Cllr F A Sauls (DA)
Cllr E Sawant (DA)
Cllr I Sherry (DA)
Cllr M M Sibunzi (DA)
Cllr C C Siebritz (DA)
Cllr L Simangweni (ANC)
Cllr E Simons (CCC)
Ald J P Smith (DA)
Cllr F J Solomons (CCC)
Cllr L Somdaka (ANC)
Cllr L P Sonyoka (ANC)
Cllr Z W Sophazi (ANC)
Ald X R Sotashe (ANC)
Cllr K Southgate (DA)
Cllr S L Stacey (DA)
Cllr J N Stevens (ANC)
Cllr N Stuurman (EFF)
Cllr N R E Sukers (ACDP)
Cllr Z Sulelo (DA)
Cllr P S Swart (DA)
Cllr S Taliep (DA)
Cllr P P Tause (ANC)
Cllr M Temlett (DA)
Cllr H P Terblanche (DA)
Cllr A Tetani (ANC)
Cllr S C Thompson (ANC)
Ald T Thompson (DA)
Cllr G Timm (DA)
Cllr N V Tyandela (EFF)
Cllr N L Tyhido (ANC)
Cllr E Uygun (FF Plus)
Ald T Uys (DA)
Cllr S I van der Linde (DA)
Cllr B van der Merwe (DA)
Ald J F H van der Merwe (DA)
Ald A van der Rheede (DA)
Cllr P E van der Ross (DA)
Cllr B van Reenen (DA)
Cllr A van Zyl (DA)
Cllr R Viljoen (DA)
Cllr D Visagie (DA)
Cllr C L Visser (DA)
Cllr J Visser (DA)
Ald J Vos (DA)
Cllr F C Walker (DA)
Cllr T C Welz (DA)
Cllr J J Witbooi (DA)
Cllr J Woodman (DA)
Cllr S Zumana (ANC)

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

The following Councillor submitted an apology for leaving early:

Cllr R Bresler (DA)

The following Councillors submitted an apology for late arrival:

None

APOLOGIES

Cllr N R Adonis (DA)
Cllr E Anstey (DA)
Cllr K Bodin (CAPEXIT)
Cllr M C Burke (ACDP)
Cllr D Dudley (ACDP)
Ald G Fourie (DA)
Cllr F Higham (DA)
Cllr B B Maqungwana (UDM)
Cllr N W McFarlane (DA)
Cllr I P McMahan (DA)
Cllr L M Mqina (ANC)
Cllr N A Ntshweza (ANC)
Cllr T Nyamakazi (ANC)
Ald G G Twigg (DA)

ABSENT WITHOUT APOLOGY

The following Councillor was absent without an apology:

Cllr D Stephens (PA)

PRESENT

Executive Management Team

Mr L Mbandazayo - City Manager
Mr K Jacoby - ED: Finance
Ms R Gelderbloem - ED: Economic Growth
Ms Z Mandlana - ED: Community Services and Health
Mr J McNeil - ED: Urban Waste Management
Mr V Botto - ED: Safety and Security

Executive Committee Services

Ms V Ngcobozi - Director: Executive and Councillor Support
Mrs R Razack - Manager : Executive Committee Services
Mrs R Alberts
Mr M Carolus
Ms J Cooper

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

Ms C France
Mr G Josephs
Mrs A Kline
Ms M Levendall
Ms L McGregor
Mr N Meissenheimer
Mrs J van Zyl
Mrs L von Molendorff

Legal Services

Ms R Sayed
Mr Z Mohamed

<u>LIST OF ACRONYMS FOR INFORMATION</u>		<u>SEATS</u>
ACDP	- African Christian Democratic Party	6
AIC	- African Independent Congress	1
AJ	- Al Jama-ah	3
ANC	- African National Congress	43
ARA	- Africa Restoration Alliance	2
CCC	- National Coloured Congress	7
CAPEXIT	Cape Independence Party	2
CMC	Cape Muslim Congress	1
DA	- Democratic Alliance	134
DI	- Democratic Independence	1
EFF	- Economic Freedom Fighters	9 (1 x vacancy)
FF Plus	- Freedom Front Plus	4
GOOD	GOOD	9
PA	- Patriotic Alliance	5
PAC	- Pan Africanist Congress of Azania	1
UDM	- United Democratic Movement	1
UIM	United Independent Movement	1
Total		230

SECTION 1 OPENING OF MEETING

The Speaker, Ald F Purchase welcomed all Councillors and officials linked to the MS Teams virtual meeting, as well as the media and public connected via the livestream YouTube link.

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

A moment of silence was observed.

Councillors were called upon to register their attendance on the link posted in the IM box for the virtual Special Council meeting.

It be noted that the following totals of Councillors from the respective Political Parties present at the meeting were taken into account when the subjoined decisions were taken by Council:

ACDP	- African Christian Democratic Party	4
AIC	- African Independent Congress	1
AJ	- Al Jama-ah	3
ANC	- African National Congress	40
ARA	- Africa Restoration Alliance	2
CCC	- National Coloured Congress	6
CAPEXIT	- Cape Independence Party	1
CMC	- Cape Muslim Congress	1
DA	- Democratic Alliance	127
DI	- Democratic Independence	1
EFF	- Economic Freedom Fighters	9
FF Plus	- Freedom Front Plus	3
GOOD	- GOOD	9
PA	- Patriotic Alliance	3
PAC	- Pan Africanist Congress of Azania	1
UDM	- United Democratic Movement	0
UIM	- United Independent Movement	1

SPC 02/06/26 APOLOGIES / LEAVE OF ABSENCE

The Chief Whip of Council, Cllr D Visagie announced the applications for leave of absence as listed below.

RESOLVED that the following applications for leave of absence as announced by the Chief Whip, **BE NOTED:**

Cllr N R Adonis (DA)
Cllr E Anstey (DA)
Cllr K Bodin (CAPEXIT)
Cllr M C Burke (ACDP)
Cllr D Dudley (ACDP)
Ald G Fourie (DA)
Cllr F Higham (DA)
Cllr B B Maqungwana (UDM)

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

Cllr N W McFarlane (DA)
Cllr I P McMahan (DA)
Cllr L M Mqina (ANC)
Cllr N A Ntshweza (ANC)
Cllr T Nyamakazi (ANC)
Ald G G Twigg (DA)

ACTION: L KELLUM

MAYORAL ADDRESS

The Speaker called on the Executive Mayor, Ald G Hill-Lewis to deliver his Budget speech, as follows:

“Madam Speaker, Fellow Councillors, Colleagues in Team Cape Town, Last night we bowed out of the 2026 Fifa World Cup, but we did so honourably, and Bafana Bafana made us all proud, having qualified for the knock-out stage for the first time ever. Congratulations Bafana Bafana! While we all wish you could have gone on, we are proud of how far you made it. Bafana always plays in front of sold-out crowds in Cape Town. We love our national team, and we look forward to hosting to you in Cape Town again soon. May Bafana’s best performance in a World Cup inspire us all to aim higher and believe in our ability to do great things.

Colleagues, speaking of aiming higher, today is an important milestone in this term of office, as we vote to adopt the final budget of the term. This budget makes it possible for us to set our goals and our ambitions for Cape Town higher than they’ve ever been. I can scarcely believe that we’re at this stage of this term of office already. What a pleasure and privilege it has been to serve with this team, and how much I look forward to being able to Take Cape Town Forward with all of you.

Speaker, In one simple summary: Five years ago, there was much of this City’s infrastructure grid that was under severe strain. The warning lights on the dashboard were flashing bright orange. Five years later, we have changed trajectory. Every single one of our major projects are either under construction or done. Many of them were stuck in the mud for years. But when they’re all finished, Cape Town’s basic essential infrastructure will be in the healthiest state it has been in a long time. It will be ready to cope with the growth of the City. It will be ready to provide hundreds of thousands more jobs. In some cases, we will even return to a position where we have a bit of spare capacity. These five years, we did not run away from our problems, we dove into fixing them. We have built a city where sewer spills are already down 30%. Where our vleis are getting cleaned. Where big new public transport projects are being built to shuttle tens of thousands more passengers a day. We’ve figured out how to get affordable housing projects through the pipeline faster, and in greater numbers, than ever before.

This is why we call it our City of Hope budget. Now as you know this is the second iteration of the budget, following the court challenge to the method of determining fixed charges billing. That means it has had a really extended period of public comment, and I thank everyone who has contributed to this process. We are proud to table it for adoption today. I have often said – and particularly in the past month, in the wake of the court challenge – that we cannot afford to make cuts to our capital budget, and we have worked very hard

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

and carefully to ensure that the budget tabled today contains no reduction in capital spending. In fact, in the process of making adjustments for this final draft, our overall capital portion has actually increased marginally by R50m. This means none of our infrastructure projects have been compromised or put on hold, and this is really important. Because nothing contained in this budget is optional. We may be out-investing South Africa's other cities combined on infrastructure, but we are still only doing enough to just stay ahead of the pressure in our city. Anything less – any cuts to our pipe replacement programme, our wastewater treatment works upgrades, our electricity grid investments, our road repairs, our waste management facilities – and Cape Town will start to slide in the same direction as South Africa's other struggling cities.

We made a vow that this would never happen here. Our promise to Capetonians was that we will do whatever it takes to move Cape Town forward, and to avoid the tragic collapse of infrastructure and services that we are seeing in so many other cities right now. To keep that promise, we have to keep every project intact and on track. And that is what we are voting for today: Cape Town's progress. To take Cape Town forward for all. As anyone who spends any time in our townships or poorer communities can attest to, we still have a long way to go in infrastructure investment. We may have reduced sewer spills by 30%, and we can be proud of that, but, friends, there is more to do. We cannot rest until we have extended more dignified services, and ensured that everyone in Cape Town sees the benefit and feels the benefit of Cape Town's success. But there is something else too. This is not only about Cape Town. Those other cities that are steadily falling into disrepair and dysfunction must and can be turned around. Places like Johannesburg and Durban are great South African cities, and it is not too late to save them. What we do here in Cape Town matters to them too. Because we can show them what it takes to build a functional city, with opportunity and dignity for its residents. We can demonstrate what is possible for our entire country. I know many South Africans have become despondent about our country's future, and I can understand why. But we are on a mission in Cape Town to prove that the reason for that despondency – the neglect and decay and regression – are not inevitable. With the right people, the right values and the right plan, any city can be turned around. We have all those elements in Cape Town. We have incredible people right across the City – professional, ethical and committed to our mission.

We have a workplace culture built around organisational values that brings out the very best in the City, and keeps us honest and accountable to our residents. And we have a plan for Cape Town that looks decades into the future. A plan fully supported by a budget like the one we are adopting today. That is what sets Cape Town apart right now, and it can be replicated elsewhere.

Colleagues, today we bid farewell to exactly one such professional. In about 48 hours, Commissioner Robbie Roberts will retire from the City of Cape Town. I have asked him to log on to this meeting, and I so I know he is watching us now so we can pay appropriate honour to him. There is so much I could say about this truly extraordinary person and colleague. I said quite a bit of it as his formal retirement ceremony last week, where he handed over his command. I've worked with many people, in many different contexts, over the years. But I regard it as a privilege to have worked with this man. He is an exemplary public servant. He is committed to excellence above all else, and does not compromise on that commitment. He holds himself to the highest standards, and expects others to do only what he is himself prepared to do. Friends, there is a long road ahead to fix South Africa. I firmly and deeply believe we can fix South Africa, but it is never guaranteed. It will take hard

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

work over a long time, and for most of us, it will be the work of most of our lifetimes. But if we are going to do it, we need many, many more people like Robbie Roberts. Cape Town is a better place for what he did. Our Safety and Security Directorate is the most professional law enforcement agency in South Africa, bar none, because of what he built. No other person is as deserving of his retirement as he is, and I wish him and his family very well in the years ahead. On behalf of the residents of Cape Town, I want to thank you, Commissioner Robbie Roberts, for your service to our city and to the public.

Colleagues, I want to return to the topic of the budget, and specifically what we are doing in this budget to protect lower income families from the impact of the court ruling. This was an extremely complex and difficult undertaking, and I want to thank our Budget team for the hard work that went into finding these solutions. You will recall that the court ruled that fixed charges could not be determined by property value, which meant that the water and sanitation fixed charge had to revert back to water meter size, while the city-wide cleaning charge moved back into property rates instead of being a standalone item on the municipal bill. These changes, by definition, placed a bigger burden on poorer and middle-income households and will lower bills for higher value properties. This severely restricted our ability to cross-subsidise services in the metro, and so the budget we're adopting today includes several new measures to counteract that impact and shield households from any increases. We have now extended the rates-free portion on residential properties from the existing first R450,000 to the first R620,000 of property value, and this will apply to all homes up to R8m in value – up from the previous threshold of R7m. We have also previously raised the income threshold for pensioners to qualify for rates rebates up to R27,000 monthly income, and that's regardless of their property value. I have received a lot of correspondence from pensioners whose income falls just above this R27 000 threshold. I really take those letters seriously, and we will definitely look to expand this support to protect more pensioners in the next budget. It is our firm intention to protect pensioners from the impact of rising values of the homes they've sometimes lived in for decades, and we will do that. But even at R27 000, this is by some distance the widest qualifying income threshold in the country. And this also includes lifeline electricity, a benefit which no other city offers for pensioners.

So we are proud to be able to support a budget today that not only keeps every part of our infrastructure plan intact, but also manages to shield lower- and middle-income households from the impact of the court's ruling on our ability to cross-subsidise. But colleagues, what I am equally proud of is something that seemed to get lost in much of the recent reporting on our budget, and that is the fact that Cape Town offers, by some distance, lowest property rates of all the metros. Looking at South Africa's five big metros – Cape Town, Johannesburg, eThekweni, Tshwane and Ekurhuleni – we see that our city offers the widest qualifying criteria and benefits for indigent households and pensioners. Cape Town's free water allocation is the highest of all cities at 15KL, and it is easier to qualify for lifeline electricity than anywhere else, especially for pensioners. We also offer by far the highest rates-free benefit, with the first R620,000 of property value rates-free in Cape Town, well ahead of the next metro, Joburg, at just R350,000. And to top it off Speaker, when comparing the newly adopted budgets for each metro, we see that the overall monthly household bill is lowest in Cape Town, even when adjusting for higher property values.

Speaker, Much has been made in recent days of the City's unqualified audit status – the 20th unqualified audit in a row. We should expect nothing less in an election year, and much downright fake news has been generated around this. While I am not surprised that political parties will try to misrepresent the facts, I do expect that they should at least read the

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

details. Cape Town retained its unqualified audit status. In the last 16 years, the City has got an unqualified audit with no findings only seven times. Three of those seven were in this term of office. This time, the AG made only non-financial findings. In other words, nothing related to money at all. Only four specific points raised about processes, not finances. While we don't necessarily agree with those process points, they are just that: technical process points, like the nature of documentary proof relied on by a bid committee for one company's proof of registration with the bargaining council, and whether a bid committee was entitled to take into account a bidder's prior track record of work with the City as a different legal entity. The fact is that the City of Cape Town is the best run, cleanest government in SA, and every resident can always feel assured of our absolute commitment to integrity in the management of public money. And this has once again been confirmed by another – our 20th – unqualified audit.

Colleagues, Most importantly, here in Cape Town you not only get the most honest government that cares for public money, and the best value on your monthly account, you also get a city that works. The ONLY city that works and will continue to work decades into the future, thanks to the investments contained in this budget. We have come a long way in this term of office, and we have much progress to show, but our work is far from done. With the adoption of this budget today, we take another big step towards fulfilling our mission of building a City of Hope for all who live in Cape Town.

Speaker, Finally, I want to assure all Capetonians that the City's Metro Police and Law Enforcement officers are extremely well prepared for any public disruption and violence this week, but I am confident that it will be business as usual. I encourage all Capetonians to go about their daily business as usual. Let us not be intimidated in any way by the purveyors of hate and those who promise only chaos and violence, including those parties here in our own Council who are part of stoking those fires. Let us show the best of our City, the best of our country, the best of who we are as a people. Thank you."

At this stage, the Speaker announced that Item SPC07 was agreed on by all Political Party Whips at the Whips meeting. 214 Councillors were present when this announcement was made at the meeting.

SPC 03/06/26 PUBLIC COMMENTS ON THE CITY OF CAPE TOWN TABLED BUDGET (2026/27)

RESOLVED that:

- (a) the public participation process conducted in respect of the tabled 2026/27 Budget, be noted.
- (b) the comments received be referred to the relevant Directorates for consideration, considering available resources and potential realignment of implementation plans
- (c) appropriate responses be provided to all comments / submissions received, where possible.

[The ANC, AJ, ARA, CAPEXIT, CCC, GOOD, EFF, FF Plus and PA recorded their votes against the above decision.]

ACTION: P NONGQONGQO, E SASS

SPC 04/06/26 BUDGET: 2026/27 – 2028/29

The Executive Mayor, Ald G Hill-Lewis tabled the City's annual budget 2026/27 to 2028/29 during his Mayoral Address for adoption.

Cllrs K Oliver (UIM), A Achmat (AJ), M Jacobs (ARA), A Davids (CCC), J Miller (CAPEXIT), C Daniels (PA), N Sukers (ACDP), P van Vuuren (FF Plus), M Mabungani (ACDP), D Cottee (ANC), R Palm (GOOD), S Mamkeli (GOOD), D Badela (ANC), X Peter (ANC), S Dickson (GOOD), N Tyhido (ANC), L Mazwi (EFF), S Zumane (ANC) and A Arnolds (EFF) also commented on the budget.

The Members of the Mayoral Committee, namely Ald J Vos (DA), Cllrs R Quintas (DA), Z Badroodien (DA), Ald T Uys (DA), Ald X Limberg (DA), Cllr C Pophaim (DA), Ald J P Smith (DA), Ald E Andrews (DA) and Cllr S Mbandezi (DA) were afforded the opportunity to address Council on the budget in terms of their respective Portfolios.

During the debate on subject matter, namely at 11H58, Cllr A Addinall (PA) was removed from the meeting, due to the breach of Rule 30.1 of the Rules of Order.

Cllr S Mbandezi (DA), seconded by Cllr B Hansen (DA) proposed the following additions to the following policies, attached to the budget report on the agenda, as follows:

“Addition: Recommendation 17

Council approves the amendment of the following policies by incorporating the paragraphs set out below:

Credit Control and Debt Collection Policy (Annexure 8) as per recommendation, as set out below:

1. q.

Item 3. Principles and guidelines

(1)(x) Exceptional circumstances permitting the City Manager to exercise the authority referred to in sub-item 3(1)(s) above will be deemed to exist in the case of indigency applications by tenants of Social Housing Institutions (SHIs) on condition that:

- (i) the applicant(s) meet the income indigency threshold approved by Council from time to time;*
- (ii) such applications are limited to the municipal services contained in this Policy; and*

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

- (iii) *the applicant(s) apply in writing for indigent benefits to the relevant SHI.*
- (y) *In order for the City Manager to consider to approve any indigency benefits for SHI tenants in the circumstances outlined in 3(1)(x) above, the relevant SHI must undertake in writing to the City (whether by contract or otherwise) that it will:*
 - (i) *ensure that any indigency benefits approved by the City Manager will be carried forward and applied by it to the applicant's tenant account with the SHI; and*
 - (ii) *reasonably monitor such applicant's tenant account to avoid excessive or unlawful consumption.*

Indigent Policy (Annexure 9) as per recommendation 1. r. Item 3 Principles and guidelines

- (2)(i) *Exceptional circumstances permitting the City Manager to exercise the authority referred to in sub-item 3(2)(e) above will be deemed to exist in the case of indigency applications by tenants of Social Housing Institutions (SHIs) on condition that:*
 - (i) *the applicant(s) meet the income indigency threshold approved by Council from time to time;*
 - (ii) *such applications are limited to the municipal services contained in this Policy; and*
 - (iii) *the applicant(s) apply in writing for indigent benefits to the relevant SHI.*
- (j) *In order for the City Manager to consider to approve any indigency benefits for SHI tenants in the circumstances outlined in 3(2)(i) above, the relevant SHI must undertake in writing to the City (whether by contract or otherwise) that it will:*
 - (i) *ensure that any indigency benefits approved by the City Manager will be carried forward and applied by it to the applicant's tenant account with the SHI; and*
 - (ii) *reasonably monitor such applicant's tenant account to avoid excessive or unlawful consumption.”*

The above proposals were certified as legally compliant by the Legal Advisor present at the meeting.

The proposals were put to the vote and were supported by the majority of Councillors present.

The recommendations as per the agenda, with the amendments to the policies, as set out in the preamble, were put to the vote and were supported by the majority of Councillors present.

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

RESOLVED that:

- (a) The City's annual budget for the financial year 2026/27; and projected allocations for the two outer years 2027/28 and 2028/29, and related policies as set out in the following tables and annexures, be adopted.
 - (i) Operating revenue and expenditure by functional classification reflected in Table 26.
 - (ii) Operating revenue and expenditure by vote reflected in Table 27.
 - (iii) Operating revenue by source and expenditure by type reflected in Table 29.
 - (iv) Multi-year capital appropriations by vote reflected in Annexure 1.
 - (v) Capital expenditure by standard classification reflected in Table 30.
 - (vi) Capital funding by source reflected in Table 30.
 - (vii) Budgeted cash flow statement as reflected in Table 32.
 - (viii) Salaries and benefits of political office bearers, councillors and senior officials as reflected in Table 56 and Table 57.
 - (ix) Performance indicators and benchmarks for 2026/27 as set out in Table 39.
 - (x) Consolidated budget tables for the City and municipal entities (CTICC and CTS) as reflected in Table 103 to Table 112.
 - (xi) Property (Tax) Rates as set out in Annexure 2.
 - (xii) City Improvement Districts (CIDs) – Additional Rates as set out in Annexure 3.
 - (xiii) Revised Consumptive Tariffs, Rates and Basic Charges for Electricity Generation and Distribution, Water and Sanitation, and Urban Waste Management Services as set out in Annexure 4.
 - (xiv) Rates Policy as set out in Annexure 5.
 - (xv) Tariffs, Fees and Charges Book as set out in Annexure 6.
 - (xvi) Tariff Policies as set out in Annexure 7.
 - (xvii) Credit Control and Debt Collection Policy as set out in the amended Annexure 8 (with effect from 01 June 2026).
 - (xviii) Indigent Policy as set out in amended Annexure 9.
 - (xix) Grants-in-Aid Policy as set out in Annexure 10.
 - (xx) Accounts Payable Policy as set out in Annexure 11.
 - (xxi) Virement Policy as set out in Annexure 12.
 - (xxii) Cost Containment Policy as set out in Annexure 13.
 - (xxiii) Policy Governing Planning and Approval of Capital Projects as set out in Annexure 14.

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

- (xxiv) Policy Governing Adjustments Budgets as set out in Annexure 15.
- (xxv) Integrated Development Plan (IDP) Financial Plan as set out in Annexure 16.
- (xxvi) Transfers and grants to external organisations as set out in Annexure 17.
- (xxvii) Schedule of Service Delivery Standards as set out in Annexure 18.
- (xxviii) Detailed capital budget (MBRR Table SA36) as set out in Annexure 19.
- (xxix) Details to capital programmes (2026/27 to 2028/29), as set out in Annexure 20.
- (xxx) Detailed operational projects (MBRR Table SA38) as set out in Annexure 21.
- (xxxi) Operating- and capital ward allocation projects supported by subcouncils as set out in Annexure 22.
- (xxxii) External mechanisms (MBRR Table SA32) as set out in Annexure 23.
- (xxxiii) Operating subcouncil allocation projects supported by subcouncils as set out in Annexure 24.
- (xxxiv) 2022-2027 Integrated Development Plan (IDP) – Review and 2026/27 proposed amendments as set out in Annexure 25.
- (xxxv) Individual projects with a total project cost in excess of R50 million (to give effect to Section 19(1)(b) of the MFMA and Regulation 13(1)(b) of the MBRR) as reflected in Table 90 and as set out in Annexure 26.
- (xxxvi) Projected cost covering all financial years until capital projects are operational as well as future operational costs and revenue on projects/programmes, to give effect to sections 19(2) and 19(3) of all projects and programmes as listed in Annexure 26 and Annexure 1.
- (xxxvii) Cape Town International Convention Centre (CTICC) (Municipal Entity) – Schedule D (annual budget and supporting tables) as set out in Annexure 27.
- (xxxviii) Cape Town International Convention Centre (CTICC) (Municipal Entity) – Business Plan as set out in Annexure 28.
- (xxxix) Cape Town International Convention Centre (CTICC) (Municipal Entity) – Tariffs as set out in Annexure 29.
- (xl) Cape Town Stadium (CTS) (Municipal Entity) – Schedule D (annual budget and supporting tables) as set out in Annexure 30.
- (xli) Cape Town Stadium (CTS) (Municipal Entity) – Business Plan as set out in Annexure 31.
- (xlii) Cape Town Stadium (CTS) (Municipal Entity) – Tariff Policy and Tariffs as set out in Annexure 32.

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

- (xliv) Measureable Performance Objectives (MBRR Table SA7) as set out in Annexure 33.
 - (xlv) Metro Trading Services Reform Programme - Trading Service (Urban Waste Management) Reform Strategy, associated Implementation Road Map and Business Plan as set out in Annexure 35.
 - (xlv) Metro Trading Services Reform Programme - Performance Improvement Action Plans (PIAPs), including Business and Investment Plans together with Service Compacts as set out in Annexure 36.
 - (xlv) Iconic and other events to be hosted by the City in 2026/27 as set out in Annexure 37.
 - (xlviii) mSCOA Road Map as set out in Annexure 42.
- (b) the intent of the administration to follow MFMA Section 33 processes on items marked with an 'X' as reflected in the Demand (Procurement) Plan, as set out in Annexure 34 to the report, be noted
- (c) the Provincial Treasury Municipal Circular 01/2026, as set out in Annexure 38 to the report, be noted
- (d) the National Treasury MFMA Circulars 132 and 134 (Municipal Budget Circulars for the 2026/27 MTREF), as set out in Annexure 39 to the report, be noted
- (e) the 2027 Budget and Benchmark Engagement Summary Report issued by National Treasury, as set out in Annexure 40 to the report, be noted
- (f) the application to and approval from the MEC of the Western Cape to extend the deadline for considering the approval of the 2026/27 annual budget, as set out in Annexure 41 to the report, be noted
- (g) Council approved an amount of up to R22 million, to be funded within the Rates account, will be allocated in support of the City's Relief and Charitable Allocations.
- (h) Council approved the Capital Replacement Reserve (CRR): Ward Allocations for the 2026/27 financial year amounting to R51 701 084 will be funded from savings identified in the 2025/26 financial year.
- (i) the approval period for rates rebate– and indigent applications received from 1 April 2026 to 30 June 2026 to coincide with the validity period of General Valuation 2025 in respect of applicants who are 60 years of age and older (which includes Council housing rental and leases tenants) and who are registered as indigent, or who are dependent on pension or social grants for their livelihood, be extended.

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

- (j) Council approved the process, in compliance with Section 46 of the Municipal Finance Management Act (MFMA), to take up funding to support the capital programme included in the MTREF, depending on the City's cash flow requirements, will be undertaken after budget approval in June 2026. Should the cash flow position be sufficient to fund the capital programme either partially or fully, the funding will be adjusted accordingly.
- (k) the Chief Financial Officer be granted the authority going forward to make transactional decisions related to the City's external loan funding agreements as are in the best interest of the City, based on its cash flow position.
- (l) Council approved the contribution to the Capital Replacement Reserve (CRR):
Capital Contingency Fund for the 2026/27 financial year amounting to R78,1 million will be funded from accumulated surpluses identified in the 2025/26 financial year, which will be used to co-fund the contingency values of grant-funded projects, where appropriate.
- (m) the outcome of the National Treasury Cost Reflective Tariff Tool assessment, showing that tariffs are cost reflective, as per section 2.5.6 of this document, be noted
- (n) Council approved the capital and operating spending and funding required to support the City's Metro Trading Services Reform programme commitments, as set out in Annexure 36, specifically:
 - (i) the Water & Sanitation A3-PIAP_v2, together with the associated Water & Sanitation Business and Investment Plan;
 - (ii) the Energy A3-PIAP_v2, together with the associated Energy Business and Investment Plan; and
 - (iii) the Urban Waste Management A3-PIAP_v1.
- (o) Council noted that a Service Compact is required as a component of the Metro Trading Service Reform Programme in order to access the associated grant funding, and that:
 - (i) Council supported and approved the draft service compact for the Water and Sanitation Trading Service in Annexure 36 and authorises the City Manager (Service Authority) and the Accountable Service Provider (Executive Director: Water and Sanitation) to sign the Service Compact.
 - (ii) Council supported and approved the draft service compact for the Energy Trading Service in Annexure 36 and authorises the City Manager (Service Authority) and the

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

Accountable Service Provider (Executive Director: Energy) to sign the Service Compact.

- (p) the high-level summary of changes between the tabled (March 2026), and proposed budget as reported in Annexure B, be adopted. These changes have already been incorporated into Annexure A of this report.

[The ACDP, AJ, AIC, ARA, CCC, GOOD and EFF recorded their votes against the above decision. The ANC, CAPEXIT, PA and UIM abstained from voting.]

ACTION: C STROUD, K JACOBY

At this stage, the Executive Mayor welcomed the newly appointed Councillors, namely Cllr B Majingo (DA) and Cllr D Stephens (PA).

SPC 05/06/26

2025/26 GRANTS-IN-AID ALLOCATION AS RECOMMENDED BY SUBCOUNCIL 08 AND SUPPORTED BY THE GRANTS-IN-AID TECHNICAL COMMITTEE

RESOLVED that the proposed Grants-In-Aid allocation for 2025/26 financial year amounting to R177 292, as recommended by Subcouncil 08 and supported by the Grants-In-Aid Technical Committee, as set out in Annexure A to the report on the agenda, be approved.

[The AJ and GOOD abstained from voting.]

ACTION: N MKHIZE, A BOSMAN, P NONGQONGQO, E SASS

SPC 06/06/26

APPLICATION FOR THE DETERMINATION OF A CITY IMPROVEMENT DISTRICT (CID) KNOWN AS SIGNAL HILL CITY IMPROVEMENT DISTRICT (SIGCID)

RESOLVED that:

- (a) the City of Cape Town determined the area as reflected in the body of the report of the agenda as a City Improvement District (CID), known as the Signal Hill City Improvement District (SIGCID) in terms of section 4 of the City Improvement District By-law, 2023.
- (b) the City of Cape Town approved the application submitted by Bevis Hoets, the registered owner of Erf 338, 14 Queens Road, Cape Town, 8001, to establish the Signal Hill City Improvement District (SIGCID) in terms of section 5(1) of the CID By-law.
- (c) the City of Cape Town imposed the levying of an additional rate on properties in the Signal Hill City Improvement District (SIGCID) in terms of section 22(1)(b) of the Local Government:

SPECIAL COUNCIL BUDGET MINUTES: 29 JUNE 2026

Municipal Property Rates Act (MPRA), Act 6 of 2004.

- (d) a Finance Agreement be concluded between the City of Cape Town and the Signal Hill City Improvement District (SIGCID) Management Body in terms of section 23(7) of the CID By-law.

[The ACDP, AJ, CCC, CAPEXIT, DI, EFF and GOOD recorded their votes against the above decision. The FF Plus and UIM abstained from voting.]

ACTION: M VAN DER POEL, J JOUBERT, R McGAFFIN

SPC 07/06/26 REQUEST FOR APPROVAL FOR THE INCREASE IN TOTAL PROJECT COST AND THE TRANSFER OF FUNDS TO CPX.0022268-F1 - INFORMAL SETTLEMENT UPGRADE: BOSASA LINK - MFULENI

RESOLVED that:

- (a) approval be granted to increase the Total Project Cost of CPX.0022268-F1: Informal Settlements Upgrade: Bosasa Link - Mfuleni by R2 030 000, from R117 291 962.21 to R119 321 962.21.
- (b) approval be granted for the transfer of funds from WBS element CPX.0014604-F2: Greenville Housing Project Ph2.2 (UISP) and CPX.0005816-F4: Informal Settlements Upgrade: Enkanini to CPX.0022268-F1: Informal : Bosasa Link - Mfuleni, amounting to R2 030 000, funded from ISUPG and ex CGD ISUPG, in the 2025/26 financial year.

ACTION: S NODLIWA, T GORDON, N GQIBA

At this stage, the Speaker advised that Council would go into its winter recess at 17:00 today until 08:00am on Monday morning, 20 July 2026, which is in line with the recess periods set out in the approved 2026 Council calendar, as amended.

The Speaker indicated that during this period the Executive Mayor, after consultation with the City Manager, would have the authority to exercise any powers of the Council and / or its political structures, subject to various conditions being met.

As a means to enable the exercising of recess powers, the Speaker required Council's agreement with the above proposal. The proposal was duly supported by Council.

THE MEETING ENDED AT 13H41.

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**ALD F PURCHASE
SPEAKER**

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DATE