City of Johannesburg Council 2025-03-26/27

COJ : MAYORAL COMMITTEE 2025-03-25

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85 TABLING OF THE 2025/26 – 2027/28 MEDIUM-TERM CAPITAL BUDGET

1. STRATEGIC THRUST

Good Governance and Financial Sustainability.

2. OBJECTIVE

To table before Council the draft medium-term capital budget for the 2025/26 to 2027/28 financial years in compliance with Section 16 (2) of the Municipal Finance Management Act 56 of 2003 (MFMA, the Act).

3. SUMMARY

3.1 BUDGET PROCESS OVERVIEW

In terms of the Section 16 (2) of MFMA, the Mayor must table a draft annual budget at a Council meeting 90 days before the start of the budget year.

In terms of Section 87 (1) of the MFMA, municipal entities are required to submit their draft budgets to the parent municipality not later than 150 days before the start of the entity's financial year.

The budget process for 2025/26 commenced on 15 November 2024 when budget guidelines were issued. Departments and municipal entities (MEs) were requested to prepare budget proposals, and these budget proposals were then presented to the Technical Budget Steering Committee held on 3-5 and 12 December 2024 and Budget Steering Committee held on 15-16, 20, 22 and 27 January 2025. Departments and entities were requested to allocate resources towards the City's political priorities with the focus on service delivery initiatives. Final budget indicatives were issued on 28 February 2025 using the proposed 2024/25 adjustment budget as a basis to ensure financial sustainability over the medium term.

The Minister of Finance's budget speech was held on 12 March 2025 and the budget does take into account the latest national allocations as reflected in Division of Revenue Bill. The provincial allocations will be available later and will be included in the final budget that will be submitted to Council during the month of May 2025.

Consultation Process

The draft capital budget is tabled for information and consultation, rather than approval and will be refined to consider the outcome of the public participation process. A report on the outcome of the consultation process on the budget and tariffs will be submitted separately on the agenda for Council to consider.

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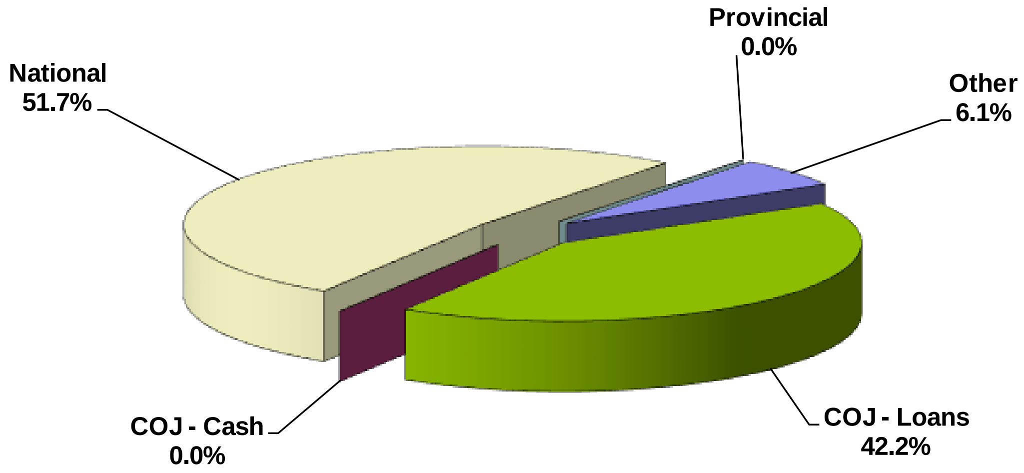
3.2 MEDIUM TERM CAPITAL BUDGET

The level of capital expenditure and borrowing are based on the principles of affordability, prudential indicators, and sustainability (debt ratio, current ratio, operating surplus, and the impact or return of the capital investment on the operating account).

The capital budget of the City projects a spending plan of approximately R24.3 billion over the next three-year period. The capital budget for the 2025/26 financial year amounts to approximately R7.3 billion. Approximately R3.1 billion of the capital budget will be funded by the City and R4.2 billion from grants and public contributions.

Funding Sources for 2025/26



- R3.1 billion of capital will be funded from loans;
- R659.2 million will be funded from grants received from National (PTIS – R519 million and UDFG – R140.2 million);
- R2.3 billion will be funded through the Urban Settlement Development Grant (USDG);
- R772.9 will be funded through the Upgrading of Informal Settlements Program (UISP); and
- R441.6 million will be funded from other sources (public and bulk service contributions).

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The table below reflects the medium-term capital budget over the next three years.

Funding source	Original Budget 2024/25 R 000	Adjusted Budget 2024/25 R 000	Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000
COJ - Loans	2 500 000	2 700 000	3 061 000	3 500 000	2 700 000
COJ - Cash	1 220 100	1 220 100			1 500 000
National	3 219 284	3 220 684	3 752 646	4 616 768	3 810 665
Provincial	12 045	15 450			
Other	463 397	577 183	441 613	458 226	478 846
Total	7 414 826	7 733 417	7 255 259	8 574 994	8 489 511

Annexure A attached reflects the medium-term capital budget per vote.
Annexure B attached reflects the detail capital projects for the 2025/26 to 2027/28 financial years.

The 2025/26 Capital Budget is as follows:

SUSTAINABLE CLUSTER

Sustainable Cluster Capital	Adjusted Budget 2024/25 R 000	Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000
Environment And Infrastructure	26 500	26 827	58 400	72 400
Human Settlements	1 270 256	1 446 835	1 707 603	854 767
City Power	1 532 612	1 480 691	1 939 705	2 061 837
Johannesburg Water	1 291 086	1 480 695	1 960 125	1 984 507
Pikitup	245 694	322 050	414 597	489 920
Johannesburg Social Housing Company	279 771	206 637	151 945	177 910
Total Capital	4 645 919	4 963 735	6 232 375	5 641 342

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R16.8 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2025/26 financial year.

- Environment and Infrastructure is allocated R26.8 million for capital. Allocation to the various projects includes:

  - Waste Management: Biodigester R9.8 million;
  - Waste Management: Waste Sorting Facilities R16.4 million; and
  - Drilling of Monitoring Boreholes R587 thousand.

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- The Human Settlements department is allocated a capital budget of R1.5 billion in the 2025/26 financial year. The budget is allocated to the following projects:

  - Tshepisong Proper R1 million;
  - Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats Johannesburg F Regional R1.6 million;
  - Braamfischerville Ext 12 and 13: C Ward R1 million;
  - Lufhereng Mixed Development (Bulk Link and Internal Infrastructure Roads Storm Water Management Systems Sewer and Water for 24 000 houses) R963 million;
  - South Hills Housing Mixed Development R1 million;
  - Fleurhof Mixed Development R1 million;
  - Dube Hostel Renewal Building Alterations Dube Ext2 D Ward R1 million;
  - Meadowlands Hostel Renewal Building Alterations Meadowlands D Ward R1 million;
  - Helen Josephs Refurbishment and Upgrading of Womens Hostel Renewal Building Alterations Alexandra Ext 52 E Ward R1 million;
  - Goudrand Rental Development R1 million;
  - Diepkloof Hostel Renewal Bulk Infrastructure Diepkloof Ext10 D Ward R1 million;
  - Elias Motsoaledi Ext1 Township Development (Region D - Ward 24) R1 million;
  - Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) Klipspruit D Ward R11 million;
  - Kanana Park Ext 1 R1 million;
  - Finetown Proper -Region G R1 million;
  - Kanana Park Ext 34 and 5 R1 million;
  - Drieziek Ext3 R1 million;
  - Drieziek Ext5 R1 million;
  - Ennerdale South R1 million;
  - Cosmo City Phase 2 (Malibongwe Ridge) R1 million;
  - Riverside View Ext 28 (Diepsloot Ext 12) R1 million;
  - Land Acquisition for Housing Developments City Wide R50.9 million;
  - Bramfischerville Ext 7 and 8 R1 million;
  - Drieziek Ext4 R1 million;
  - Kanana Park Ext 2 R1 million;
  - Madala Hostel Redevelopment R1 million;
  - Southern Farms Mega Mixed Development R1 million;
  - Formalisation of informal settlements (UISP) R396.3 million; and
  - Merafe hostel R1 million.

- City Power is allocated R1.5 billion for capital. Allocation to the various projects include:

  - Installation of new service connections in Alexandra Ext.63 R4.5 million;
  - New service connections in Berea R4.7 million;

- Prepare mini subs and load centres for 11 kV conversion Renewal Township Reticulation in Jeppestown South R2.3 million;
- Installation of new service connections in Halfway House R21.8 million;
- New service connections in Ferndale Ext.25 R4.7 million;
- New service connections in Roodepoort Ext.2 R4.7 million;
- New service connections in Reuven R4.7 million;
- New service connections in Hurst Hill R4.7 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R4.5 million;
- Refurbishment of LV Infrastructure Renewal Low Voltage in Reuven R9 million;
- Refurbishment of MV infrastructure, switchgear and transformers Renewal Medium Voltage Network in Reuven R9 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in Reuven R5.5 million;
- Establish new 88/11 kV substation at Ruimsig. New Bulk Infrastructure R43.5 million;
- Allandale Substation: Upgrade 2x10 MVA transformers to 40 MVA Renewal Bulk Infrastructure in Commercia Ext.11 R17.5 million;
- Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R28.1 million;
- Replace open LV conductors with ABC Renewal Low Voltage City Wide R9.3 million;
- Emergency Work Renewal Medium Voltage Network in Reuven R13.6 million;
- Normalisation Renewal Medium Voltage Network in Alexandra Ext.42 R33.9 million;
- Installation of pre-paid meters and protective structures Renewal Metering Equipment in Lenasia Ext.13 R21.2 million;
- Operational Capex in Reuven R3.2 million;
- Install new IED's in substations Renewal Protection City Wide R79.3 million;
- Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R30 million;
- Replace transformers and install an additional transformer Extend 11 kV panel Renewal Bulk Infrastructure in Belle-Vue R4.5 million;
- Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R23.3 million;
- Emergency work on the transmission network in Reuven R31.4 million;
- Revenue Generation Efficiency Project. Pre-paid system installation of semi-automated pre-paid and automated pre-paid (smart meters) Renewal Service Connections City Wide R16.1 million;
- Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R20 million;
- Preparation of LCs and MSS for 11kV conversion in Bryanston R9 million;
- Replace obsolete energy meters with prepaid units City Wide R13.4 million;
- Install statistical meters on all distributors City Wide R1.8 million;
- IT Network Upgrade Renewal Computer Hardware City Wide R26.7 million;

- Construct 88 kV switchyard adjacent to Pennyville substation. New Bulk Infrastructure in Pennyville R70.1 million;
- Telecommunications Multiplexer and network management system Renewal Plant and Equipment City Wide R30 million;
- Upgrade MV Networks in CBD. Renewal Medium Voltage Network R6.7 million;
- All fencing and security lighting for various substations Renewal Building Alterations City Wide R32.3 million;
- Upgrade Orchards Substation New Bulk Infrastructure R17.5 million;
- Electrification of various Informal Settlements - City Wide R335.3 million;
- Rooftop PVC R38 million;
- Bank City SWs: Satellite R13.4 million;
- Beaulieu: Substation R13.5 million;
- Hopefield: Substation R27.9 million;
- Randjespark Ext37: Satellite R10 million;
- Ridge: Substation R3.6 million;
- Glen Lea (CP_E075) R13.5 million;
- Penny Street R25 million;
- Pritchard 88/11 kV Substation Upgrade R15.9 million;
- Soweto Local R3 million;
- Roosevelt Switching Station R9 million;
- Installation of new public lighting: Street lights (City Wide) R18.6 million;
- Installation of new public lighting: Group luminaire replacement R15.3 million;
- Install fire suppression systems in HV yard R26.8 million;
- Dainfern Substation Upgrade R20.8 million;
- MV feeder board replacement R8 million;
- Mobile sub-station R25 million;
- Refurbish Vasco Switching Station R19 million;
- Upgrade Eikenhof Substation R40 million;
- Replacement of high risk and obsolete MV feeder boards - Primary substations R7.5 million;
- Mondeor - Eikenhof HV OHL R25.7 million;
- Energy Efficient Programme R73 million;
- Electrification of informal settlements in Kliptown R20 million; and
- HV Cable Replacement: Rosebank - Cydna R11 million.

• Johannesburg Water is allocated R1.5 billion for capital. Allocation to the various projects include:

  Water is allocated R1 billion and projects include:

- Midrand: President Park Tower Reservoir 80Ml R5 million;
- Water Demand Management: New Operate and Maintenance Assets (Orange Farm and Soweto) R243.4 million;
- New Basic Water and Sewer Services R20 million;

- Operational Capital: Planning and engineering studies R15 million;
- Operational Capital: Operations and Maintenance R162.8 million;
- Operational Capital: Corporate Requirements of Johannesburg Water R70 million;
- Sandton/ Alexandra: Planned Replacement Watermains R37.5 million;
- Roodepoort/ Diepsloot: Planned Replacement Watermains R10 million;
- Johannesburg Central: Planned Replacement Watermains R21.5 million;
- Sandton/ Alexandra: Linbro Park Water Upgrade R46.2 million;
- Sandton/ Alexandra: Kensington B Reservoir 22Ml R3 million;
- Olifantsvlei Works: Digester Heating and Mixing R4.6 million;
- Soweto: Planned Replacement of the Watermains R14.8 million;
- Operational Capital: Provision for Emergency Work R10 million;
- Midrand: Blue Hills Tower 18Ml R5 million;
- Midrand: Carlswald New Reservoir R20 million;
- Sandton/ Alexandra: Woodmead Reservoir 22Ml R25 million;
- Bushkoppies Works: Infrastructure Renewal Plan R50.9 million;
- Driefontein Works: Infrastructure Renewal Plan R10 million;
- Orange Farm/ Deep South: Planned Replacement Watermains R26 million;
- Midrand: Planned Replacement Watermains Renewal R5 million;
- Roodepoort/ Diepsloot: Robertville Tower 225Ml R15 million;
- Midrand: Erand Tower 2 15Ml R20 million;
- Midrand: Pretoriousrand Tower 12Ml R2 million;
- Midrand: Halfway House Reservoir 20Ml R15 million;
- Sandton/ Alexandra: Kensington Booster 42Ml R2.5 million;
- Bushkoppies: New PSTs number 2 R2 million;
- Soweto: Doornkop West Reservoir 85Ml R2.5 million;
- Soweto: Dobsonville Reservoir 15Ml R2.5 million;
- Midrand: Planned Replacement Sewermains R5 million;
- Midrand: Pretoriousrand Reservoir 10Ml R2 million;
- Halfway House Water Upgrade R30 million;
- Johannesburg Central: Brixton Reservoir 226Ml R5 million;
- Deep South/ Orange Farm: Ennerdale Reservoir 50Ml R5 million;
- Deep South/ Orange Farm: Diepsloot Tower 16Ml R3 million;
- Roodepoort/ Diepsloot: Diepsloot Reservoir 40Ml R16 million;
- Lion Park Bulk Water and Sewer Infrastructure Upgrade R3 million;
- Sandton/ Alexandra: Linksfield Reservoir 375Ml R5 million;
- DF: Infrastructure Renewal Plan 2 R5 million;
- Southdale/ Langlaagte: Crown Gardens Reservoir 20Ml R1 million;
- Peri-urban 781mm diameter Bulk Main R3 million;
- Bryanston Tower 15Ml R15 million;
- Kensington B Tower 05Ml R2.5 million;
- BK: Expansion of Bushkoppies WWTW R2 million;
- NW: Infrastructure Renewal Plan 2 R2.7 million;
- Orange Farm/ Deep South: Lenasia Reservoir 675mm diameter Bulk R15 million;
- Linbro Park Towner 15Ml R10 million;

- Bushkoppies Works: Cleaning and lining of emergency Dam R5 million;
- Cosmo City Reservoir 30Ml R1 million;
- Lion Park to Lanseria 600mm diameter Bulk Main R3 million;
- Crosby Bulk Pipeline R5 million;
- Turffontein Redevelopment Corridor: Forest Hill Tower R15 million; and
- Honeydew Pumpstation R2.5 million.

Sewer is allocated R451.9 million and projects include:

- Northern Works: Belt Presses New #4 R80 million;
- Bushkoppies Works: BK Balancing Tank Completed R5 million;
- Northern Works: Unit 5 mod 2 R40.3 million;
- WWTW: Automation Of WWTW Plant R2 million;
- LA: Module 1 R5 million;
- Olifantsvlei: Refurbish Unit 2 R5 million;
- Goudkoppies Works: Infrastructure Renewal Plan R64.5 million;
- Northern Works: Infrastructure Renewal R10 million;
- Sandton/ Alexandra: Planned Replacement Sewermains R40.7 million;
- Roodepoort/ Diepsloot: Planned Replacement Sewermains R40.8 million;
- Johannesburg Central: Planned Replacement Sewermains R41.5 million;
- Soweto: Planned Replacement Sewermains R2.6 million;
- Roodepoort/ Diepsloot: Diepsloot Sewer Pipelines and Bridge R30 million;
- Northern Works: Desludge and Line Dam 02 R2 million;
- WWTW Upgrade and Refurbish R2.5 million;
- Bushkoppies Works: Upgrade Main Blowers and Pipework R5 million;
- Northern Works: New Digesters (incl. Pre-Conditioning) R5 million;
- Northern Works: Unit 4: Replacement of Electromechanical R20 million;
- OV: Infrastructure Renewal Plan R25 million;
- EN: Upgrading of Southern Treatment Capacity R15 million;
- OV: Infrastructure Renewal Plan 2 R5 million; and
- OV: Inlet Screw Pumps Replacement R5 million.

- Pikitup is allocated R322.1 million for capital. Allocation to the various projects include:

  - Waste Receptacles R1 million;
  - Marie Louise Landfill site-improved compliance and alterations R25.8 million;
  - ICT Hardware and Software R5 million;
  - Facilities renewals, upgrades including branding and signage R15 million;
  - Separation at Source facilities including associated plant/equipment R30 million;
  - Robinson Deep Landfill site improved compliance, alterations and cell development R73.1 million;
  - Goudkoppies Landfill site- improved compliance and alterations R10 million;
  - Kya Sands Landfill site-improved compliance and alterations R10 million;
  - Linbro Park Landfill site-improved compliance and alterations R35 million;

- Office equipment R5 million;
- Ennerdale Landfill site-improved compliance, alterations and cell development R25 million;
- Upgrading and engineering services at Selby Depot R4.2 million;
- Construction, upgrading and engineering services of Roodepoort Depot R21 million;
- Construction, upgrading and engineering services at Zondi Depot R5 million;
- New Fleet R15 million; and
- Upgrading and engineering services at Midrand Depot R42 million.

- JOSHCO is allocated a capital budget of R206.6 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - Lufhereng Social Housing Project Region D R59.2 million;
  - Lombardy East Social Housing Project Region E R2.9 million;
  - Nancefield Social Housing Project Region D R14.7 million;
  - Marlboro Social Housing Project Region E R1.6 million;
  - Existing Stock Redevelopment Upgrade and Major Maintenance Renewal Building Alterations JOHANNESBURG F City Wide R11.2 million;
  - Devland Golden Highway Social Housing Project Region D R29.5 million;
  - Casamia Inner City Building Upgrade Region F R8.2 million;
  - Smit Street Inner City Building Conversion Region F R47.1 million;
  - Booysens Street Inner City Conversion R5.7 million;
  - 38 Rissik Street (NBS) Inner City Building Conversion R3.2 million;
  - Malvern Building Conversion R8.2 million;
  - Tum-Key 1: Region B R8.2 million;
  - Frank Brown/ Milpark Social Housing Development R3.2 million; and
  - Tum-Key : Region F (Denver Social Housing) R3.2 million.

HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Capital	Adjusted Budget 2024/25 R 000	Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000
Community Development	128 284	41 263	36 000	36 000
Health	59 328	37 859	31 360	39 110
Social Development	77 391	21 408	21 888	23 269
Public Safety	41 924	18 659	16 933	19 533
Johannesburg City Parks And Zoo	43 510	21 860	31 020	50 500
Joburg City Theatres	36 688	18 251	17 303	19 441
Total Capital	387 124	159 300	154 504	187 853

The three-year medium-term capital budget of the Human and Social Development Cluster amounts to approximately R501.7 million. Below follows a highlight of capital budget/project per department and municipal entity within the Human and Social Development Cluster for the 2025/26 financial year.

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- Community Development is allocated R41.3 million. Allocations to the various projects include:

  - Joburg Art Gallery Upgrade R13.5 million;
  - Museum Africa and Precinct (Three houses workers museum Mary Fitzgerald Square): Upgrading of fire reticulation, mechanical works, security system, roof and electrical network R5.5 million;
  - Joburg Library (Centre of Excellence) R19.7 million;
  - Head Office Operational Capital R105 thousand;
  - Upgrading of Old Eldorado Stadium R1.2 million; and
  - Upgrading of the Eldorado Park Ext.9 swimming pool R1.2 million.

- Health is allocated R37.9 million for capital. Allocation to the various projects include:

  - Hikensile Clinic Renewal R23.8 million;
  - Minor Works at Various Clinics Across the City R5.3 million;
  - Naledi New Clinic R1.4 million;
  - Elias Motsoaledi Clinic Renewal R41 thousand;
  - Rabie Ridge Clinic Renewal R41 thousand;
  - Freedom Park New Clinic R164 thousand;
  - Electricity Upgrades, Solar, Generators UPS's and Back-up Electricity for Health Facilities across the City R2.5 million;
  - Hardware R410 thousand;
  - Software for Environmental Health System R4.1 million; and
  - Sustainable Reticulated Water Back-up Systems at Clinics R246 thousand.

- Social Development is allocated R21.4 million for capital. Allocation to the various projects include:

  - Shelters for Displaced People R16.1 million;
  - Operational Capital R1.8 million
  - Louis Botha: Co - Production zone for social interventions Renewal Corridors of Freedom Intervention R2.5 million; and
  - Zuurbekom Agri Business Centre R984 thousand.

- Public Safety Department is allocated a capital budget of R18.7 million in the 2025/26 financial year. The budget is allocated to the following departments.

  <u>Public Safety: Head Office</u>

  - Construction of a business desk at Midrand (One Stop shop for corporate clients) R7.1 million.

Public Safety: EMS

- Standby Generators for current fire stations and replacement New Plant and Equipment Martindale C City Wide R1.1 million;
- Lehae EMS Training building periphery wall Lehae Ext1 G City Wide R1 million; and
- Procurement of new furniture for all Fire Stations R1.3 million.

Public Safety: JMPD

- Supply Firearms to the JMPD new recruits Renewal Plant and Equipment City and Suburban Ext 6 F City Wide R1 million;
- Operational Capex: Computers for Regional Commanders New Operational Capex Johannesburg E City Wide R1.1 million; and
- Implementation of IIOC phase 2 R5.9 million.

• Johannesburg City Parks and Zoo is allocated R21.9 million for capital. Allocation to the various projects include:

  - Lenasia Park Development R164 thousand;
  - Olifantsvlei Cemetery Renewal R8.2 million;
  - Lehae 1 Park Development R984 thousand;
  - City Parks House - IT Equipment R9.6 million;
  - Inner-City Parks Intervention Development and Upgrading R1.6 million;
  - Golden Harvest Park Upgrade R820 thousand; and
  - Florida Park Upgrade R410 thousand.

• Joburg City Theatre is allocated R18.3 million. Allocations to the various projects include:

  - Promusica Theatre - Upgrading of technical equipment (sound and lighting) R511 thousand;
  - Joburg Theatre - Building Renovations and Upgrades New Building Alterations R4.4 million;
  - Joburg Theatre - Upgrade of Stage Machinery Renewal Plant and Equipment R9.8 million;
  - Soweto Theatre - Upgrading of Technical Equipment Renewal Building Alterations R914 thousand;
  - Soweto Theatre - Building Renovations and Upgrades R1.2 million;
  - Promusica Theatre - Building Renovations and Upgrades Renewal Building Alterations R401 thousand; and
  - Joburg Theatre - Technical Equipment New Capex R921 thousand.

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ECONOMIC GROWTH CLUSTER

Economic Growth Cluster Capital	Adjusted Budget 2024/25 R 000	Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000
Economic Development	2 800	5 904	7 928	6 476
Transport	562 554	573 065	561 572	688 224
Development Planning	92 110	32 370	98 070	97 570
Joburg Market	89 000	52 098	43 260	50 600
Metropolitan Trading Company	2 914	6 700	5 900	6 275
Johannesburg Property Company	64 068	59 226	72 742	80 500
Johannesburg Development Agency	168 439	165 060	162 196	199 340
Johannesburg Roads Agency	807 220	784 571	808 046	1 039 550
Metrobus	97 944	94 233	83 894	100 000
Joburg Tourism	1 835	1 247	2 670	2 653
Total Capital	1 888 885	1 774 475	1 846 279	2 271 188

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R5.9 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2025/26 financial year.

- Economic Development is allocated a capital budget of R5.9 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - Old vista incubation refurbishment R984 thousand;
  - Economic Development Initiatives R1.4 million;
  - Market Access and Retail Zone R492 thousand; and
  - Enterprise Support Infrastructure R2.9 million.

- The Transport department is allocated a capital budget of R573.1 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilites KYA SAND R2.3 million;
  - PTF: Upgrading of Rosebank Public Transport Facility R3.8 million;
  - Complete Streets: Turfontein R4.9 million;
  - 2804_14_Signage Demarcation blocks and Corridor Road Markings R40 million;
  - 2804_18_Selby Bus Depot (Phase 2C Administration Building) R13 million;
  - 2804_15_Rea Vaya BRT Land Acquisition R15 million;
  - 2804_20 Rea Vaya BRT Phase 1 A and B Station Rehabilitation R47.3 million;
  - PTF: Public Transport Stops in Cosmo City R15.3 million;
  - Complete Streets: NMT links to Railway Stations: Phefeni Station R4.1 million;

- Complete Streets: NMT links to Merafe Station (Phase 2) R1.5 million;
- Complete Streets: NMT links to public transport facilities in Tshepisong R15.3 million;
- Rea Vaya Auto Fare Collection System (AFCS) R150 million;
- Sandton to Ivory Park BRT Roadways R15.3 million;
- BRT phase 1C Roadways R140.3 million;
- Depo Rehabilitation Phase 1 A R23 million;
- Melville Holding Facility R410 thousand;
- BRT Ph 1 C Traffic Signals upgrades R30 million;
- Lehae Public Transport Facility R2.5 million;
- Ebareni Public Transport Facility R4.1 million;
- Advanced Public Transport Management System (APTMS) R25 million; and
- Database and transport modelling tools R20 million.

• Development Planning is allocated R32.4 million. An allocation is made to:

- New Turffontein Clinic R2 million;
- Brixton Social Cluster R4.1 million;
- Jabulani Precinct Upgrades R8.2 million;
- Mayfair PEU R2 million;
- Inner City Partnership Fund R1 million;
- Soweto Strategic Area Framework and Implementation R2.9 million;
- Inner City Walkable Network R4.1 million;
- Inner City High Court Precinct R4.1 million;
- Zandspruit Precinct Implementation R2 million; and
- Kliptown Regeneration Programme R2 million.

• Joburg Market is allocated a capital budget of R52.1 million in the 2025/26 financial year. The budget is allocated to the following projects:

- Upgrades to the Main Building (Mandela Market Cold Rooms Offices and Food Courtyard) R4.1 million;
- Installation of Sprinkler System (Fire suppression system OHSA) R4.9 million;
- Refurbishments/Construction of ablution facilities R1.6 million
- Construction of a pack-house for emerging farmers at the Joburg Market R5.4 million;
- Smart Market Project R16.4 million;
- Installation of Smart Meters - Revenue Protection R8 million;
- Soweto Market R3.2 million;
- Road Rehabilitation R8.2 million.

• Metropolitan Trading Company is allocated R6.7 million for capital. Allocation to the project include:

- Office upgrade (24 Jan 2022) R6.7 million.

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COJ : MAYORAL COMMITTEE 2025-03-25

GROUP FINANCE

- Johannesburg Property Company is allocated a capital budget of R59.2 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - City wide revamping of the Informal Trading Stalls and Linear Markets R5.4 million;
  - Office Space Optimisation Program New Precinct Redevelopment JOHANNESBURG F City Wide R13.7 million;
  - Replacement/ Upgrading of lifts in Corporate Buildings within the CoJ R3.7 million;
  - Inner City Rejuvenation Programme/Project R15.2 million;
  - 23776_Walter Sisulu Square Upgrade R15.2 million; and
  - Temporary Emergency Accommodation R5.7 million.

- Johannesburg Development Agency is allocated R165.1 million. Allocations to the various projects include:

  - Randburg CBD Regeneration Renewal Precinct Redevelopment R11 million;
  - Orlando East Station New Precinct Redevelopment R820 thousand;
  - Diepsloot Development Renewal Precinct Redevelopment R20 million;
  - CORR - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA) Stormwater Masterplan and New Constriction and Upgrading Renewal Corridors of Freedom Intervention R7.4 million;
  - Pennyville Precinct Renewal Precinct Redevelopment R11 million;
  - Revitalisation of Pageview and Vrededorp R549 thousand;
  - Melville Activity Street Neighbourhood Development_CoF_Upgrade R6.6 million;
  - Roodepoort CBD regeneration Renewal Precinct Redevelopment R4.7 million;
  - Watt Street Precinct Wynberg R3.8 million;
  - Inner City Eastern Gateway_TOD and Movement Corridors R17.3 million;
  - Klipfontein View Wellness Centre R2.9 million;
  - Ivory Park Urban Renewal Programme R8.9 million; and
  - Orange Farm Urban Renewal Programme R70 million.

- Johannesburg Roads Agency is allocated a capital budget of R784.6 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - MISCL - Emergency Critical and Urgent Depot Stormwater Improvements Existing Stormwater Management Projects Johannesburg City Wide R61.2 million;
  - MISCL - Tarring of Gravel Roads: Orange Farm and Surrounding Areas New Roads: Construction and Upgrades ORANGE FARM G Ward R70 million;
  - 23775_03_MISCL - Tarring of Gravel Roads: Diepsloot New Roads: Construction and Upgrades DIEPSLOOT WEST EXT3 A Ward 113 R30 million;
  - REHAB - Road Rehabilitation and Reconstruction Programme Renewal Roads: Construction and Upgrades Johannesburg City Wide R6.7 million;

- CATCH 210 - Klein Jukskei Catchment: Bond Stream Relief System Ferndale New Stormwater Catchments FERNDALE B Ward 104 R9.3 million;
- MISCL - Investigate and Design Future Schemes New Operational Capex Johannesburg F City Wide R5 million;
- MISCL - Integrated Roads and Stormwater Masterplanning New Stormwater Management Projects Johannesburg F City Wide R4.7 million;
- BRID 11 - Bridge Rehabilitation Renewal Bridges (Pedestrian and Vehicles) Johannesburg F City Wide The bridges include Modderfontein Road Dorelan Bridge Drive Bradley View The Avenue (Hilson) The Gardens 12th Avenue Bryanston R53.6 million;
- MOB - Intelligent Transport Systems (ITS) Projects New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R6 million;
- CATCH 10 - Emergency Stormwater Improvement (Multi year) New Stormwater Catchments PROTEA GLEN D Ward 13 R9.3 million;
- Operational Capital: CS - Operational Capex Renewal Operational Capex Johannesburg F City Wide R6.7 million;
- MOB - Installation of New Warranted Traffic Signals R3.4 million;
- RNP022_Richards Drive Upgrading Renewal Roads: Construction and Upgrades Halfway House Ext95 Ward 110 R4.7 million;
- CS - Capital Equipment New Plant and Equipment Johannesburg F City Wide R14.9 million;
- RNP005_Spencer Road New Link New Roads: Construction and Upgrades Fleurhof C Regional Ward 70 R3 million;
- MOB - SARTSM: Upgrade Traffic Signals intersections City Wide R6.7 million;
- MOB - Alternative Energy: Alternative Power Sources (LED) New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R1.3 million;
- MOB - Geometric Improvements Renewal Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R2 million;
- MOB - Remote Monitoring: Urban Traffic Control (UTC) New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R1 million;
- MOB - Alternative Energy: Alternative Power Sources (UPS) New Mobility: Intelligent Transportation System and Networks Johannesburg F City Wide R4.7 million;
- MOB - Upgrading Controllers and Phasing Renewal Mobility Intelligent Transport System and Networks Johannesburg F City Wide R4.2 million;
- CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments Vorna Valley Ext13 A Ward 132 R2 million;
- MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects Johannesburg F City Wide R3.4 million;
- MOB - Upgrading of Traffic Signal Controllers CS Operational Capex Renewal Mobility Intelligent Transport System and Networks Johannesburg F City Wide R6.7 million;
- RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg City Wide R46.9 million;

- BRID 11 - Bridges: Visual Condition Assessment and Detailed Bridge Design for Bridge Rehabilitation Projects (Bridge Management System) New Bridges (Pedestrian and Vehicles) Johannesburg F City Wide R6.7 million;
- BRID 20 - Bridges: Replacement of bridges (Pedestrian and Vehicles) JOHANNESBURG F City Wide R71.9 million;
- MOB - Recabling of Traffic Signals Intelligent Transportation System and Networks Johannesburg F City Wide R6.7 million;
- Operational Capital: CS - Depot Upgrading and Standardization Renewal Operational Capex Johannesburg F City Wide R6.7 million;
- CONV - Conversion of Open Drains to underground storm water system/Covered Drains in Orange Farm Renewal Stormwater Management Projects ORANGE FARM G Ward 3 R10 million;
- 23776_05_CONV - Conversion of Open Drains to underground storm water system in Bram Fischerville Renewal Stormwater Management Projects Bram Fischerville C Ward 49 R10 million;
- RAMS - GIS Improvement R2 million;
- RESUR - Resurfacing of M1 Motorway Renewal Roads: Rehabilitation Melrose E City Wide Ward 67 R3.4 million;
- RESUR - Resurfacing of M2 Motorway Renewal Roads: Rehabilitation Johannesburg F City Wide Ward 124 R3.4 million;
- 22776_03_MISCL - Tarring of Gravel Roads: Tshepisong New Roads: Construction and Upgrades Tshepisong C Ward 128rd R20 million;
- REHAB - Rehabilitation of Open Channels City Wide Renewal Stormwater Management Projects Johannesburg F City Wide R3.4 million;
- MISCL - Tarring of Gravel Roads: Kaalfontein New Roads: Construction and Upgrades Kaalfontein Ext2 A Ward 92 R16.2 million;
- 23775_03_MISCL - Tarring of Gravel Roads: Mayibuye New Roads: Construction and Upgrades COMMERCIA A Ward 110 R10 million;
- Rehabilitation of aged and incapacitated stormwater infrastructure in the City R2.7 million;
- MISCL - Tarring of Gravel Roads: City Wide R70 million;
- CATCH - Flooding intervention and alleviation in Far East Bank - Alexandra Ward 105 R3.4 million;
- CATCH - River rehabilitation and erosion protection measures in Johannesburg City Wide R2.7 million;
- 23775_Tarring of gravel roads: Wards 77 133 and 80 R20 million;
- 23775_Upgrade roads Klipfonteinview Ward 32 R15 million;
- MOB - Traffic Management Centre Renewal Mobility: Intelligent Transportation System and Networks R3.4 million;
- Reconstruction of Lillian Ngoyi F Ward 60 123 and 124 R110 million;
- RAMS - Visual Condition Assessments and Design of Integrated Road Traffic Signs - Johannesburg City Wide R5 million;
- Boundary Road (Eldorado) upgrades R4 million; and
- MOB- Traffic Signal Infrastructure replacement R11 million.

City of Johannesburg Council 2025-03-26/27

COJ : MAYORAL COMMITTEE 2025-03-25

GROUP FINANCE

- Metrobus is allocated a capital budget of R94.2 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - Purchasing of New Buses R32.7 million;
  - Plant and Machinery R3.8 million;
  - Engine and Gear box refurbishment R4.1 million;
  - Building - Building Alterations/Upgrade R7.6 million;
  - Bus Refurbishment R2 million;
  - Cashless Ticketing System Bus CCTV on board machine R22.8 million;
  - Euro5 Engine conversion R2.8 million;
  - Fuel Management system R2.4 million;
  - Purchasing of New Electric buses Buses and Infrastructure R3.9 million;
  - Purchasing of New tow Trucks R4.9 million;
  - Bus wash Machines R295 thousand;
  - Gas Infrastructure R2.7 million;
  - Lubricant infrastructure R984 thousand; and
  - Bus Electric charging station R2.7 million.

- Johannesburg Tourism Company is allocated a capital budget of R1.2 million in the 2025/26 financial year. The budget is allocated to the following projects:

  - Tourism ICT R 110 thousand;
  - Movable Assets R 219 thousand;
  - Establishment of MICE Bidding Centre R200 thousand;
  - Tourism Website MobiApp and WIFI Connection R250 thousand;
  - Office Space and Meeting Facilities Repurposing and Partitioning R248 thousand; and
  - Destination Brand Activation Stand R220 thousand.

GOOD GOVERNANCE CLUSTER

Good Governance Cluster Capital	Adjusted Budget 2024/25 R 000	Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000
Group Forensic Investigation Services	2 050	1 640	1 540	2 650
Office Of The Ombudsman	350	1 500	1 000	2 000
City Manager	30 233	508	490	17 096
Group Information And Communication Technology	630 730	135 874	141 798	159 505
Group Finance	16 018	8 040	3 600	3 600
Group Corporate And Shared Services	129 708	208 813	192 036	202 904
Speaker: Legislative Arm Of Council	2 400	1 374	1 374	1 374
Total Capital	811 489	357 749	341 837	389 128

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R1.1 billion. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2025/26 financial year.

GROUP FINANCE

- Group Forensic Investigation Services is allocated R1.6 million for capital. Allocation to the project include:

  - Email analysis tool software R1.6 million.

- Ombudsman is allocated R1.5 million for capital. Allocation to the project include:

  - Case Management System R1.5 million.

- City Manager is allocated R508 thousand for capital. Allocation to the projects includes:

  - Data extraction and analytical tool R230 thousand;
  - Tools of trade for academy of Charted Accountants R197 thousand; and
  - Litigation Register R82 thousand.

- Group Information and Communication Technology is allocated R135.9 million. Allocations to various projects include:

  - SAP Software Upgrade/re-implementation to latest SAP version Renewal Computer Software R38.5 million;
  - Non-SAP Application (Johannesburg) Modernization and Optimization City Wide R36.9 million; and
  - Microsoft Licences R60.4 million.

- Group Finance is allocated R8 million for capital. Allocation to the various project include:

  - Capital Enhancement System Renewal Computer Software City Wide R8 million.

- Group Corporate and Shared Services is allocated R208.8 million. Allocations to various projects include:

  - Procurement of fleet - SHELA: Red fleet (Fire Engines) R123 million;
  - Procurement of Specialized Fleet R82 million;
  - Installation of Kiosks R369 thousand; and
  - Electronic document and records management system R3.4 million.

- The Speaker: Legislative Arm of the Council is allocated R1.4 million for capital. Allocation to the project include:

  - Tools of Trade (New Councillors 270) for staff councillors and governance structures in the legislature for computers printers R1.4 million.

4. POLICY IMPLICATIONS

None

5. LEGAL AND CONSTITUTIONAL IMPLICATIONS

This report is in compliance with the provisions of The Municipal Finance Management Act (Act 56 of 2003).

6. FINANCIAL IMPLICATIONS

Consolidated Capital Budget:

The capital budget for the medium-term framework are as follows:

FY	R 000
2025/26	R7 255 259
2026/27	R8 574 994
2027/28	R8 489 511

7. COMMUNICATION IMPLICATIONS

In terms of Section 24 of the MFMA, the Accounting Officer must inter alia, submit the approved budget to National Treasury and Provincial Treasury immediately after the approval of the budget.

The approved budget will also be communicated to the community and various stakeholders in the manner prescribed by law. The Council shall consider any representations received in terms of Section 23 of the Act.

8. OTHER BODIES/DEPARTMENTS CONSULTED

Group Legal and Contracts, all Core Departments and Municipal Entities.

9. KEY PERFORMANCE INDICATOR

Management of the budget process in compliance with the Municipal Finance Management Act Chapter 4.

City of Johannesburg Council 2025-03-26/27

COJ : MAYORAL COMMITTEE 2025-03-25

GROUP FINANCE

IT IS RECOMMENDED

1. **That the draft capital budget of R7 255 259 000 for the year 2025/26, R8 574 994 000 for the year 2026/27 and R8 489 511 000 for the year 2027/28 of the City of Johannesburg be noted in terms of Section 16 (3) of the MFMA as set out in the following schedules:**

    1.1 **Capital budget by vote for each of the Municipal Entities and Core Administration as reflected in Annexure A.**

    1.2 **Capital budget by project for each of the Municipal Entities and Core Administration as reflected in Annexure B.**

2. **That the Accounting Officer:**

    2.1 **In accordance with chapter 4 of the Systems Act:**

    (a) **Make public the annual consolidated capital budget and other documents referred to in section 17(3) of the MFMA; and**
    (b) **Invite the local community to submit representations in connection with the annual consolidated capital budget.**

    2.2 **Submit the annual consolidated capital budget:**

    (a) **In both printed and electronic formats to the National and Provincial Treasury; and**
    (b) **In either format to any prescribed national or provincial organs of state and to such other municipalities as may be affected by the budget.**

3. **That the annual consolidated capital budget, together with such representations received as a result of the processes followed in terms of paragraph 2 above, be presented to Council for consideration and approval in terms of Sections 23(1) and 24(1) of the MFMA.**

(GROUP FINANCE)
(Ntuthuzelo April)
(DIRECTOR: GROUP BUDGET AND PLANNING)
(Tel. 081 352 9394)
(tc)

THE NEXT ITEM FOLLOWS THE ANNEXURES TO THIS ITEM