City of Johannesburg Council 2026-05-28

COJ : MAYORAL COMMITTEE 2026-05-25

GROUP FINANCE

3B THE 2026/27 – 2028/29 MEDIUM-TERM CAPITAL BUDGET

1. STRATEGIC THRUST

Good Governance and Financial Sustainability.

2. OBJECTIVE

The medium-term capital budget for the 2026/27 to 2028/29 financial years is submitted to Council for consideration in terms of section 24 (1 and 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 2026/27 commenced on 6 November 2025 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 Budget Steering Committee held on 15, 19-20 and 23 January 2026. 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 17 March 2026 using the proposed 2025/26 adjustment budget as a basis to ensure financial sustainability over the medium term.

The Minister of Finance's budget speech was held on 25 February 2026, and the budget does take into account the latest national and provincial allocations as reflected in the Gazettes.

Consultation Process

The draft medium-term budget for 2026/27 – 2028/29 was tabled at Council on 31 March 2026 for consultation both externally and internally. After tabling of the budget, the draft budget and proposed tariffs were publicised for stakeholders and public comments. 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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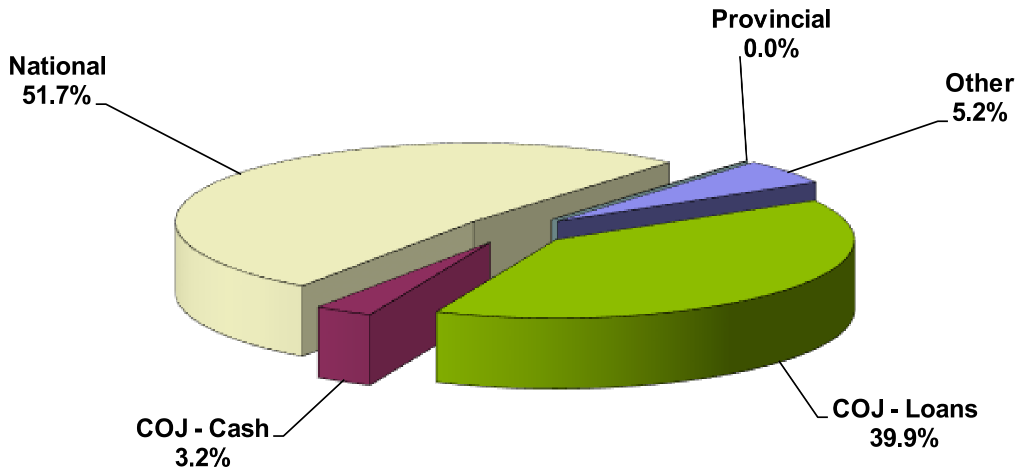
3.2 MEDIUM TERM CAPITAL BUDGET

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 R25.3 billion over the next three-year period. The capital budget for the 2026/27 financial year amounts to approximately R8.8 billion. Approximately R3.8 billion of the capital budget will be funded by the city and R5 billion from grants and public contributions.

Funding Sources for 2026/27



- R3.5 billion of capital will be funded from loans;
- R278.1 million will be funded by internal generated cash;
- R2.2 billion will be funded from grants received from National (PTIS – R99.1 million, and UDFG – R2.1 billion);
- R1.6 billion will be funded through the Urban Settlement Development Grant (USDG);
- R723.7 will be funded through the Upgrading of Informal Settlements Program (UISP);
- R4.2 million will be funded from grants received from Gauteng Province; and
- R458.2 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 2025/26 R 000	Adjusted Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000	Budget 2028/29 R 000
COJ - Loans	3 500 000	2 774 557	3 500 000	3 284 108	3 225 000
COJ - Cash	650 000	650 000	278 081	350 000	500 000
National	3 636 672	4 086 083	4 535 525	3 969 158	4 113 042
Provincial	10 700	10 700	4 160	2 740	2 740
Other	903 048	903 048	458 226	478 846	546 500
Total	8 700 420	8 424 388	8 775 992	8 084 852	8 387 282

Annexure A attached reflects the medium-term capital budget per vote.
Annexure B attached reflects the detail capital projects for the 2026/27 to 2028/29 financial years.

The 2026/27 Capital Budget is as follows:

SUSTAINABLE CLUSTER

Sustainable Cluster Capital	Adjusted Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000	Budget 2028/29 R 000
Environment And Infrastructure	200 587	578 016	71 400	495 000
Human Settlements	1 974 368	2 020 155	1 531 565	1 183 930
City Power	1 097 973	2 353 527	2 254 235	2 076 373
Johannesburg Water	1 703 880	1 960 125	2 018 877	2 413 211
Pikitup	309 645	345 000	389 920	489 920
Johannesburg Social Housing Company	206 637	85 000	103 910	113 910
Total Capital	5 493 090	7 341 823	6 369 907	6 772 344

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R20.5 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2026/27 financial year.

- Environment and Infrastructure is allocated R578 million for capital. Allocation to the various projects includes:

  - Alternative Waste Treatment Technologies (AWTT) (Incinerator) [Waste to Energy] R575 million; and
  - Drilling of Monitoring boreholes R3 million.

- The Human Settlements department is allocated a capital budget of R2 billion in the 2026/27 financial year. The budget is allocated to the following projects:

  - Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats JOHANNESBURG F Regional R5 million;

- Lufhereng Mixed Development (Bulk Link and Internal Infrastructure Roads Storm Water Management Systems Sewer and Water for 24 000 houses) R1.2 billion;
- Fleurhof Mixed Development R10 million;
- Dube Hostel Renewal Building Alterations DUBE EXT2 D Ward R11.8 million;
- Meadowlands Hostel Renewal Building Alterations MEADOWLANDS D Ward R8.6 million;
- Helen Josephs Refurbishment and Upgrading of Womens Hostel Renewal Building Alterations ALEXANDRA EXT52 E Ward R6.3 million;
- Goudrand Rental Development R32.5 million;
- Diepkloof Hostel Renewal Bulk Infrastructure DIEPKLOOF EXT10 D Ward R5.3 million;
- Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) KLIPSPRUIT D Ward R15 million;
- Riverside View ext 28 (Diepsloot ext 12) R6 million;
- Stock Flats and Old-Age Home Upgrading R16.5 million;
- Southern Farms Mega Mixed Development R60 million;
- Formalisation of informal settlements (UISP) R514.2 million;
- Trans Relocation Area - Marlboro and Marlboro Gardens - 2295 units R26 million;
- Trans Relocation Area - Madala Sports Field - 1233 units R25 million
- Orlando West Women Hostel R5.3 million;
- Temporary Emergency Accommodation R10 million;
- Diepsloot Tanganani R48.5 million; and
- Jabavu Mixed Development R60 million.

* City Power is allocated R2.4 billion for capital. Allocation to the various projects include:

  - Installation of new service connections in Alexandra Ext.63 R4 million;
  - New service connections in Berea R4 million;
  - RTU installations New SCADA City Wide R80 million;
  - Prepare mini subs and load centres for 11 kV conversion Renewal Township Reticulation in Jeppestown South R35 million;
  - Construction of a 88kV transmission lines: Lutz / Peter Rd T-point New Transmission Line in Honey Park Ext10 R10 million;
  - Installation of new service connections in Halfway House Ext74 R4 million;
  - New service connections in Ferndale Ext.25 R4 million;
  - New service connections in Roodepoort Ext.2 R4 million;
  - New Service Connections Lenasia Ext.1 R4 million;
  - New service connections in Reuven R4 million;
  - New service connections in Hurst Hill R4 million;
  - Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R35 million;

- Integrated security, fire detection and suppression systems for major substations. Including fibre optic links (+- 50 % of budget). New Security Equipment City Wide R35 million;
- Refurbishment of LV Infrastructure Renewal Low Voltage in Reuven R30 million;
- Refurbishment of MV infrastructure, switchgear and transformers Renewal Medium Voltage Network in Reuven R22.1 million;
- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in Reuven R20 million;
- Establish new 88/11 kV substation at Ruimsig. New Bulk Infrastructure R11 million;
- Acquire servitudes and substation sites New Transmission Line in Reuven R4.2 million;
- Allandale Substation: Upgrade 2x10 MVA transformers to 40 MVA Renewal Bulk Infrastructure in Commercia Ext.11 R14.1 million;
- Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R51.3 million;
- Replace open LV conductors with ABC Renewal Low Voltage City Wide R35 million;
- Emergency Work Renewal Medium Voltage Network in Reuven R50.2 million;
- Normalisation Renewal Medium Voltage Network in Alexandra Ext.42 R20 million;
- Installation of pre-paid meters and protective structures Renewal Metering Equipment in Lenasia Ext.13 R90 million;
- Operational Capex in Reuven R58.5 million;
- Replace batteries in substations Renewal Bulk Infrastructure City Wide R20 million;
- Install new IED's in substations Renewal Protection City Wide R50 million;
- Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R87.7 million;
- Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R95 million;
- Network development and reduce technical losses in Randburg SDC R25 million;
- Network development and reduce technical losses in Roodepoort SDC R50 million;
- Emergency work on the transmission network in Reuven R74.9 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 R50 million;
- Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R50.7 million;
- Network development and reduce technical losses Hursthill SDC R20 million;

- Network development and reduce technical losses Lenasia SDC R20 million;
- Network development and reduce technical losses Reuven SDC R20 million;
- Replace obsolete energy meters with prepaid units City Wide R115 million;
- Extend Mondeor substation and construct new 88 kV switching station. New Bulk Infrastructure in Mondeor R10 million;
- Install statistical meters on all distributors City Wide R140.2 million;
- IT Network Upgrade Renewal Computer Hardware City Wide R75 million;
- Construct 88 kV switchyard adjacent to Pennyville substation. New Bulk Infrastructure in Pennyville R50 million;
- Telecommunications Multiplexer and network management system Renewal Plant and Equipment City Wide R75 million
- Upgrade MV Networks in CBD. Renewal Medium Voltage Network R30 million;
- All fencing and security lighting for various substations Renewal Building Alterations City Wide R35 million;
- Renewable Energy Projects R25 million;
- Installation of Solar High Masts R65 million;
- Bree Substation Renewal R30 million;
- Brynorth: Substation R25 million;
- Hopefield: Substation R45 million;
- Ridge: Substation R5 million;
- Lenasia South R4.5 million;
- Penny Street R2.5 million;
- Pritchard 88/11 kV Substation Upgrade R12.5 million;
- Soweto Local R5 million;
- Trade Route - Eskom Intake R15 million;
- Roosevelt Switching Station R1.6 million;
- Installation of new public lighting: Street lights (City Wide) R15 million;
- Installation of new public lighting: Group luminaire replacement R28.6 million;
- Install fire suppression systems in HV yard R15 million;
- Dainfern Substation Upgrade R19.7 million;
- MV feeder board replacement R7.5 million;
- Design and install fire walls and oil embankments R500 thousand;
- Mobile sub-station R28 million;
- Refurbish Vasco Switching Station R15 million;
- Upgrade Eikenhof Substation R35 million;
- Replacement of high risk and obsolete MV feeder boards - Primary Substations R1.1 million;
- Energy Efficient Programme R60 million;
- HV Cable Replacement: Rosebank - Cydna R40 million;
- Roodepoort SDC MV Cable Replacement R35 million;
- Power Factor Correction R10 million;

- Secondary Plant Emergency Work R10 million;
- Central Substation Renewal R30 million; and
- Inner City Tunnel Rehabilitation R40 million.

- Johannesburg Water is allocated R2 billion for capital. Allocation to the various projects include:

  Water is allocated R1.5 billion and projects include:

  - Midrand: President Park Tower Reservoir 80ML R3 million;
  - Water Demand Management: New Operate and Maintenance Assets (Orange Farm and Soweto R232.8 million;
  - New Basic Water and Sewer Services R10 million;
  - Operational Capital: Planning and Engineering Studies R20.2 million;
  - Operational Capital: Operations and Maintenance R337.3 million;
  - Operational Capital: Corporate Requirements of Johannesburg Water R99 million;
  - Sandton/ Alexandra: Planned Replacement Watermains R90 million;
  - Roodepoort/ Diepsloot: Planned Replacement Watermains R20 million;
  - Johannesburg Central: Planned Replacement Watermains R30 million;
  - Sandton/ Alexandra: Linbro Park Water Upgrade R37 million;
  - Sandton/ Alexandra: Kensington B Reservoir 22ML R1 million;
  - Olifantsvlei Works: Digester Heating and Mixing R3 million;
  - Soweto: Planned Replacement of the Watermains R5 million;
  - Operational Capital: Provision for Emergency Work R5 million;
  - Midrand: Blue Hills Tower 18ML R2 million;
  - Midrand: Carlswald New Reservoir R81.2 million;
  - Sandton/ Alexandra: Woodmead Reservoir 22ML R95 million;
  - Bushkoppies Works: Infrastructure Renewal Plan R80 million;
  - Driefontein Works: Infrastructure Renewal Plan R36.3 million;
  - Orange Farm/ Deep South: Planned Replacement Watermains R10 million;
  - Midrand: Planned Replacement Watermains Renewal R5 million;
  - Roodepoort/ Diepsloot: Robertville Tower 225ML R13 million;
  - Midrand: Erand Tower 2 15ML R2 million;
  - Midrand: Halfway House Reservoir 20ML R2 million;
  - Sandton/ Alexandra: Kengsington Booster 42ML R1 million;
  - Soweto: Doornkop West Reservoir 85ML R2 million;
  - Soweto: Dobsonville Reservoir 15ML R1 million;
  - Midrand: Planned Replacement Sewermains R10 million;
  - Halfway House Water Upgrade R80 million;
  - Deep South/ Orange Farm: Diepsloot Tower 16ML R1 million;
  - Roodepoort/ Diepsloot: Diepsloot Reservoir 40ML R1 million;
  - Sandton/ Alexandra: Linksfield Reservoir 375ML R1 million;
  - DF: Infrastructure Renewal Plan 2 R3 million;
  - Peri-urban 781mm diameter Bulk Main R2 million;

- Bryanston Tower 15ML R2 million;
- Kensington B Tower 05 ML R1 million;
- NW: Infrastructure Renewal Plan 2 R10 million;
- Orange Farm/ Deep South: Lenasia Reservoir 675mm diameter Bulk R2 million;
- President Park Tower Reservoir 225ML R2 million;
- Linbro Park Tower 15ML R81 million;
- Cosmo City Reservoir 30 ML R1 million;
- Lion Park to Lanseria 600mm diameter Bulk Main R2 million;
- Crosby Bulk Pipeline R83 million;
- Turffontein Redevelopment Corridor: Forest Hill Tower R15 million; and
- Honeydew Pumpstation R1 million.

Sewer is allocated R438.4 million and projects include:

- NW: Dewatering Building Belt Press Replacement and Associated Ancillaries # 10 R30 million;
- Olifantsvlei Works: Belt Presses # 1 R1 million;
- Northern Works: Unit 5 mod 2 R60.3 million;
- WWTW: Automation Of WWTW Plant R1 million;
- LA: Module 1 R10 million;
- Olifantsvlei: Refurbish Unit 2 R2 million;
- Goudkoppies Works: Infrastructure Renewal Plan R10 million;
- Northern Works: Infrastructure Renewal R5 million;
- WWTW: Security Upgrade (CCTV and Fence) R1 million;
- Orange Farm/ Deep South: Planned Replacement Sewermains R43 million;
- Sandton/ Alexandra: Planned Replacement Sewermains R15 million;
- Roodepoort/ Diepsloot: Planned Replacement Sewermains R30 million;
- Roodepoort/ Diepsloot: Lanseria Outfall Sewer Upgrade R2 million;
- Johannesburg Central: Planned Replacement Sewermains R30 million;
- Soweto: Planned Replacement Sewermains R10 million
- Roodepoort/ Diepsloot: Diepsloot Sewer Pipelines and Bridge R85 million;
- Bushkoppies: New PSTs number 2 R2 million;
- Bushkoppies Works: Upgrade Main Blowers and Pipework R3 million;
- Northern Works: Digesters New (incl. Pre-Conditioning) R500 thousand;
- Northern Works: Unit 4: Replacement of Electromechanical R20 million;
- Ennerdale Works: Replace module mixers and motors R2 million;
- OV: Infrastructure Renewal Plan R40 million;
- Soweto: Anthea Nancefield Sewer (Klipspruit River) Phase 1 R10 million;
- EN: Upgrading of Southern Treatment Capacity R14.6 million;
- OV: Infrastructure Renewal Plan 2 R1 million;
- Bushkoppies Works: Cleaning and lining of Emergency Dam R1 million;
- BK: Expansion of Bushkoppies WWTW R1 million;
- OV: Inlet Screw Pumps Replacement R3 million;

- Cosmo City Sewer Upgrade R2 million; and
- EN: Dam cleaning and lining R3 million.

- Pikitup is allocated R345 million for capital. Allocation to the various projects include:

  - Waste Receptacles R10 million;
  - Marie Louise landfill site-improved compliance and alterations R32.5 million;
  - ICT Hardware and Software R8 million;
  - Facilities renewals, upgrades including branding and signage R25 million;
  - Separation at Source facilities including associated plant/equipment R9.5 million;
  - Robinson Deep landfill site-improved compliance, alterations and cell development R82.4 million;
  - Goudkoppies landfill site-improved compliance and alterations R5 million;
  - Linbro Park landfill site-improved compliance and alterations R13.3 million;
  - Ennerdale landfill site-improved compliance, alterations and cell development R36 million;
  - Upgrading and engineering services at Selby Depot R11.3 million;
  - Construction, upgrading and engineering services of Roodepoort Depot R5 million;
  - Construction, upgrading and engineering services at Zondi Depot R5 million;
  - Construction, upgrading and engineering services at Orange Farm Depot R5 million;
  - New Fleet R10 million;
  - Upgrading and engineering services at Midrand Depot R12.7 million;
  - Norwood Depot renovation, additions and alterations R7.7 million;
  - Florida Integrated Waste Management Facility R12.4 million;
  - Bally Clare garden site expansion and upgrading R9.4 million;
  - Woodmead garden site upgrading R18.6 million;
  - Meredale garden site upgrading R5 million;
  - Sandpark Integrated Waste Management Facility R5 million;
  - Kya Sands Integrated Waste Management Facility R3.8 million; and
  - Alexandra Integrated Waste Management Facility R12.4 million.

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- JOSHCO is allocated a capital budget of R85 million in the 2026/27 financial year. The budget is allocated to the following projects:

  - Lufhereng Social Housing Project Region D R9 million;
  - Nancefield Social Housing Project Region D R20 million;
  - Existing Stock Redevelopment Upgrade and Major Maintenance Renewal Building Alterations Johannesburg F City Wide R2 million;
  - Devland Golden Highway Social Housing Project Region D R10 million;
  - Booysens Street Inner City Conversion R23 million;
  - Tum-Key 1: Region A R18 million; and
  - Park Chambers R3 million.

HUMAN AND SOCIAL DEVELOPMENT CLUSTER

Human and Social Development Cluster Capital	Adjusted Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000	Budget 2028/29 R 000
Community Development	98 586	16 245	36 000	18 828
Health	37 628	13 860	37 110	39 110
Social Development	41 908	117 274	23 269	23 269
Public Safety	40 688	35 160	21 873	39 873
Johannesburg City Parks And Zoo	31 118	19 036	49 450	53 900
Joburg City Theatres	19 060	15 303	19 441	19 441
Total Capital	268 988	216 878	187 143	194 421

The three-year medium-term capital budget of the Human and Social Development Cluster amounts to approximately R598.4 million. Below follows a highlight of capital budget/project per department and municipal entity within the Human and Social Development Cluster for the 2026/27 financial year.

- Community Development is allocated R16.3 million. Allocations to the various projects include:

  - Museum Africa and Precinct (Three houses workers museum Mary Fitzgerald Square) Upgrading of fire reticulation mechanical works security system roof and electrical network R2 million;
  - Kaalfontein New Community Centre R13.5 million;
  - Upgrading of Old Eldorado Stadium R350 thousand; and
  - Upgrading of the Eldorado Park Ext 9 swimming pool R350 thousand.

- Health is allocated R13.9 million for capital. Allocation to the various projects include:

  - Minor Works at Various Clinics Across the City R7 million;
  - Electricity Upgrades, Solar, Generators UPS's and Back-up Electricity for Health Facilities across the City R1 million;
  - WAN and LAN Upgrade R1.4 million;

- Hardware R2 million;
- Software for Environmental Health System R1 million; and
- Sustainable Reticulated Water Back-up Systems at Clinics R1.5 million.

- Social Development is allocated R117.3 million for capital. Allocation to the various projects include:

  - Refurbishment of the Yetta Nethan Community Centre R37.3 million;
  - Shelters for Displaced People R30 million; and
  - Bertrams New Multi-Purpose Centre R50 million.

- Public Safety Department is allocated a capital budget of R35.2 million in the 2026/27 financial year. The budget is allocated to the following departments.

  Public Safety: EMS

  - Standby Generators for current fire stations and replacement New Plant and Equipment Martindale C City Wide R1 million;
  - Fire and Rescue Equipment Replacement Program Martindale C City Wide R1 million; and
  - Alexandra Fire Station R13.2 million.

  Public Safety: JMPD

  - Supply Firearms to the JMPD new recruits Renewal Plant and Equipment City and Suburban Ext6 F City Wide R5 million;
  - Implementation of IIOC Phase 2 R10 million; and
  - Hand Radios (Phush to talk) R5 million.

- Johannesburg City Parks and Zoo are allocated R19 million for capital. Allocation to the various projects include:

  - Olifantsvlei Cemetery Renewal R4.5 million;
  - Lehae 1 Park Development R1.5 million;
  - City Parks House - IT Equipment (Digitalisation of cemeteries) R5 million;
  - Zoo Infrastructure Renewal Building Alterations R3 million;
  - Inner-City Parks Intervention Development and Upgrading R1 million;
  - Cemetery Upgrades - Phase 1 R2.5 million; and
  - Alexandra Parks R1.5 million.

- Joburg City Theatre is allocated R15.3 million. Allocations to the various projects include:

  - Promusica Theatre - Upgrading of technical equipment (sound and lighting) Renewal Theatre Redevelopment in Florida Park Ext.9 R461 thousand;

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- Joburg Theatre - Building Renovations and Upgrades New Building Alterations R2 million;
- Joburg Theatre - Upgrade of Stage Machinery Renewal Plant and Equipment R8.9 million;
- Soweto Theatre - Upgrading of Technical Equipment Renewal Building Alterations in Jabulani R824 thousand;
- Soweto Theatre - Building Renovations and Upgrades in Jabulani R1.1 million;
- Promusica Theatre - Building Renovations and Upgrades Renewal Building Alterations in Florida Park Ext.9 R362 thousand;
- Promusica Theatre - Information Technology New Computer Hardware and Software R830 thousand; and
- Joburg Theatre - Technical Equipment New Capex R830 thousand.

ECONOMIC GROWTH CLUSTER

Economic Growth Cluster Capital	Adjusted Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000	Budget 2028/29 R 000
Economic Development	1 750		6 476	6 476
Transport	573 065	110 758	202 831	97 887
Development Planning	79 739	71 700	43 700	39 700
Joburg Market	82 979	22 229	28 600	12 000
Metro Tech Company	26 700	4 400	6 275	6 275
Johannesburg Property Company	39 750	12 581	24 500	60 500
Johannesburg Development Agency	104 722	69 460	94 080	80 080
Johannesburg Roads Agency	915 809	570 000	696 428	749 256
Metrobus	132 017	67 684	98 500	95 000
Joburg Tourism	1 400	2 120	2 653	2 653
Total Capital	1 957 931	930 932	1 204 043	1 149 827

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R3.3 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2026/27 financial year.

- The Transport department is allocated a capital budget of R110.8 million in the 2026/27 financial year. The budget is allocated to the following projects:

  - PTF: Upgrading of Rosebank Public Transport Facility R500 thousand;
  - 2804_20 Rea Vaya BRT Phase 1 A and B Station Rehabilitation R40 million;
  - Rea Vaya Auto Fare Collection System (AFCS) R9.1 million;
  - Jack Mincer Public Transport Facility R11.2 million;
  - BRT phase 1C Roadways R10 million;
  - Depo Rehabilitation Phase 1 A R30 million; and
  - Electric Bus Operational Demonstration Pilot Programme R10 million.

- Development Planning is allocated R71.7 million. An allocation is made to:

  - Operational Capital: DPUM Renewal Operational Capex R1.7 million;
  - New Turfontein Clinic R30 million;
  - Brixton Social Cluster R15 million;
  - Jabulani Precinct Upgrades R15 million; and
  - Inner City High Court Precinct R10 million.

- Joburg Market is allocated a capital budget of R22.2 million in the 2026/27 financial year. The budget is allocated to the following projects:

  - Upgrades to the Main Building (Mandela Market Cold Rooms Offices and Food Courtyard) R10.2 million; and
  - Installation of Sprinkler System (Fire suppression system OHSA) R12 million.

- Metro Tech Company (MTC) is allocated R4.4 million for capital. Allocation to the project include:

  - Network Expansion R2 million; and
  - ICT and Digitisation R2.4 million.

- Johannesburg Property Company is allocated a capital budget of R12.6 million in the 2026/27 financial year. The budget is allocated to the following projects:

  - City wide revamping of the Informal Trading Stalls and Linear Markets R2.1 million;
  - Office Space Optimisation Program New Precinct Redevelopment Johannesburg F City Wide R504 thousand; and
  - 23776_Walter Sisulu Square Upgrade R10 million.

- Johannesburg Development Agency is allocated R69.5 million. Allocations to the various projects include:

  - Inner City Eastern Gateway_TOD and Movement Corridors R3.7 million;
  - Klipfontein View Wellness centre R4.6 million;
  - Ivory Park Urban Renewal Programme R16 million;
  - Orange Farm Urban Renewal Programme R42 million; and
  - Management fees R3.2 million.

- Johannesburg Roads Agency is allocated a capital budget of R570 million in the 2026/27 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 R35 million;

- 23775_03_MISCL - Tarring of Gravel Roads: Diepsloot New Roads: Construction and Upgrades DIEPSLOOT WEST EXT3 A Ward 113 R10 million;
- REHAB - Road Rehabilitation and Reconstruction Programme Renewal Roads: Construction and Upgrades JOHANNESBURG City Wide R10 million;
- CATCH 210 - Klein Jukskei Catchment: Bond Stream Relief System Ferndale New Stormwater Catchments FERNDALE B Ward 104 R20 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 R2.2 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 R22.1 million;
- MOB - Intelligent Transport Systems (ITS) Projects New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R8 million;
- CATCH 10 - Emergency Stormwater Improvement (Multi-year) New Stormwater Catchments PROTEA GLEN D Ward 13 R10 million;
- BRID 05 - Naledi/Protea Bridge New Bridges (Pedestrian and Vehicles) NALEDI R5 million;
- Operational Capital: CS - Operational Capex Renewal Operational Capex JOHANNESBURG F City Wide R10 million;
- MOB - Installation of New Warranted Traffic Signals R2.2 million;
- RNP022_Richards Drive Upgrading Renewal Roads: Construction and Upgrades HALFWAY HOUSE EXT95 Ward 110 R2 million;
- CS - Capital Equipment New Plant and Equipment JOHANNESBURG F City Wide R7 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 R10 million;
- MOB - Alternative Energy: Alternative Power Sources (LED) New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R2 million;
- MOB - Geometric Improvements Renewal Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R10 million;
- MOB - Remote Monitoring: Urban Traffic Control (UTC) New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R5 million;

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- MOB - Alternative Energy: Alternative Power Sources (UPS) New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R10 million;
- MOB - Traffic Signal Adaptive Control (TSAC) New Mobility: Intelligent Transportation and System and Network Johannesburg City Wide R10 million;
- CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments VORNA VALLEY EXT13 A Ward 132 R10 million;
- MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects JOHANNESBURG F City Wide R1.8 million;
- MOB - Upgrading of Traffic Signal Controllers CS Operational Capex Renewal Mobility Intelligent Transport System and Networks Johannesburg F City Wide R21.1 million;
- RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg City Wide R85 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 R5 million;
- BRID 20 - Bridges: Replacement of bridges (Pedestrian and Vehicles) JOHANNESBURG F City Wide R20 million;
- MOB - Recabling of Traffic Signals Intelligent Transportation System and Networks JOHANNESBURG F City Wide R20 million;
- Operational Capital: CS - Depot Upgrading and Standarization Renewal Operational Capex JOHANNESBURG F City Wide R20 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 R20 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 R15 million;
- 22776_03_MISCL - Tarring of Gravel Roads: Tshepisong New Roads: Construction and Upgrades TSHEPISONG C Ward 128 R15 million;
- REHAB - Rehabilitation of Open Channels City Wide Renewal Stormwater Management Projects JOHANNESBURG F City Wide R15 million;
- 23775_03_MISCL - Tarring of Gravel Roads: Mayibuye New Roads: Construction and Upgrades COMMERCIA A Ward 110 R15 million;
- Rehabilitation of aged and incapacitated stormwater infrastructure in the City R5 million;
- CATCH - River rehabilitation and erosion protection measures in Johannesburg City Wide R3 million;
- 23775_Tarring of gravel roads: Wards 77 133 and 80 R10 million;
- 23775_Stormwater Conversion: Wards 78 79 and 133 R12 million;
- 23775_Upgrade roads Klipfonteinview Ward 32 R2 million;
- MOB - Traffic Management Centre Renewal Mobility: Intelligent Transportation System and Networks R2.5 million;

- MOB - CCTV Cameras New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide (Diphetogo) R7.5 million;
- MOB - Intelligent Transport Systems (ITS) Projects New Mobility: Intelligent Transportation System and Networks JOHANNESBURG F City Wide R1.8 million;
- Reconstruction of Lillian Ngoyi F Ward 60 123 and 124 R20 million;
- REHAB - Rehabilitation of Sinkholes associated with illegal mining activities - Infrastructure protection Johannesburg City Wide R5 million;
- MISC - Land Acquisition for Roads and Stormwater Infrastructure Servitude - Johannesburg City Wide R2.8 million;
- RAMS - Visual Condition Assessments and Design of Integrated Road Traffic Signs R5 million;
- Boundary Road (Eldorado) upgrades R2 million;
- MOB- Traffic Signal Infrastructure replacement City Wide R10 million;
- London road - ward 105 and 49 R10 million;
- Upgrading and Rehabilitation of De Villiers Street in Johannesburg Central Business District. R5 million; and
- Lenasia Road Project R5 million.

• Metrobus is allocated a capital budget of R67.7 million in the 2026/27 financial year. The budget is allocated to the following projects:

- Engine and Gear box refurbishment R2.1 million;
- IT Equipment New Computers and Hardware Computer Hardware R1 million;
- Building - Building Alterations/Upgrade R2 million;
- Bus Refurbishment R7.1 million;
- Cashless Ticketing System Bus CCTV on board machine R6.3 million;
- Purchasing of New Electric Buses and Infrastructure R41.2 million;
- Purchasing of New tow Trucks R6 million; and
- Bus Electric charging station R2 million.

• Johannesburg Tourism Company is allocated a capital budget of R2.1 million in the 2026/27 financial year. The budget is allocated to the following projects:

- Tourism ICT R200 thousand;
- Movable Assets R200 thousand;
- Establishment of MICE Bidding Centre R20 thousand;
- Tourism Website MobiApp and WIFI Connection R1.2 million; and
- Destination Brand Activation Stand R500 thousand.

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GOOD GOVERNANCE CLUSTER

Good Governance Cluster Capital	Adjusted Budget 2025/26 R 000	Budget 2026/27 R 000	Budget 2027/28 R 000	Budget 2028/29 R 000
Group Forensic Investigation Services	1 890		2 650	2 650
Office Of The Ombudsman	100	1 000	2 000	2 000
City Manager	12 213	1 385	12 656	10 834
Group Information And Communication Technology	420 000	175 000	159 043	159 505
Group Finance	8 040	7 600	2 600	3 600
Group Corporate And Shared Services	260 763	100 000	143 437	90 728
Speaker: Legislative Arm Of Council	1 374	1 374	1 374	1 374
Total Capital	704 380	286 359	323 759	270 690

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R880.1 million. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2026/27 financial year.

- Ombudsman is allocated R1 million for capital. Allocation to the project include:
  - Case Management System R1 million.
- City Manager is allocated R1.4 million for capital. Allocation to the project include:
  - Litigation Register R1.4 million.
- Group Information and Communication Technology is allocated R175 million. Allocations to various projects include:
  - Smart City Enablement New Computer Software City Wide R5 million;
  - SAP Software Upgrade/re-implementation to latest SAP version Renewal Computer Software R30 million;
  - Non-SAP Application (Johannesburg) Modernization and Optimization City Wide R60 million; and
  - Microsoft Licences R80 million.
- Group Finance is allocated R7.6 million for capital. Allocation to the various project include:
  - Operational Capital-Look and Feel Project R3 million; and
  - Capital Enhancement System Renewal Computer Software City Wide R4.6 million.

- Group Corporate and Shared Services is allocated R100 million. Allocations to various projects include:

  - Procurement of fleet - SHELA: Red fleet (Fire Engines) R50 million; and
  - Procurement of Specialized Fleet R50 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 R1.3 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 is as follows:

FY	R 000
2026/27	R8 775 992
2027/28	R8 084 852
2028/29	R8 387 282

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.

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9. KEY PERFORMANCE INDICATOR

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

IT IS RECOMMENDED

1. **That the capital budget of R8 775 992 000 for the year 2026/27, R8 084 852 000 for the year 2027/28 and R8 387 282 000 for the year 2028/29 of the City of Johannesburg be approved 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 it should be noted that the budget is in line with the national budget (Division of Revenue Bill) as presented by the Minister of Finance on 25 February 2026.**

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

THE NEXT ITEM FOLLOWS THE ANNEXURES TO THIS ITEM