

CITY OF HARARE

THE 2027 BUDGET STATEMENT

"RESTORING SERVICES, RENEWING INFRASTRUCTURE AND BUILDING A RESILIENT, INCLUSIVE HARARE."

PRESENTED TO COUNCIL ON 29 OCTOBER 2026

BY

CLR. JUBILATION. C. SHOKO

FINANCE AND DEVELOPMENT COMMITTEE CHAIRPERSON

- **HIS WORSHIP, THE MAYOR OF THE CITY OF HARARE, COUNCILLOR JACOB MAFUME**
- **THE DEPUTY MAYOR COUNCILLOR. ROSE MURONDA**
- **HONOURABLE COUNCILLORS**
- **THE ACTING TOWN CLERK, ADVOCATE. W.S. CHIWAWA**
- **HEADS OF DEPARTMENT**
- **ESTEEMED STAKEHOLDERS WHO ARE FOLLOWING THIS BUDGET PRESENTATION FROM VARIOUS ONLINE PLATFORMS**
- **INVITED GUESTS**
- **MEMBERS OF THE MEDIA FRATENITY**
- **LADIES AND GENTLEMEN**
- **GOOD MORNING TO YOU ALL.**

1. INTRODUCTION

Your Worship, let me begin by expressing my sincere gratitude to the Government of the Republic of Zimbabwe, all residents, residents' associations, the business community, civic organisations, community representatives, and development partners for their continued engagement and invaluable contributions to the City's budgeting and development processes.

Their engagement reflects a shared resolve to restore the functionality of our systems, improve the quality of public services and build a capital city that responds effectively to the aspirations of its people.

Your Worship, the preparation of the 2027 Budget takes place against a backdrop of service delivery challenges, infrastructure renewal requirements and growing expectations for improved municipal performance. The preceding year has once again underscored the urgency of addressing the City's long-standing challenges, particularly in the areas of water supply, sanitation, public health, road maintenance, and the provision of reliable public services.

These challenges have placed considerable pressure on both the City and its residents. They have also reinforced the need for disciplined expenditure, impactful priorities, stronger revenue mobilisation and greater accountability in the utilisation of public resources. We recognise that the credibility of any municipal budget rests not merely on the figures presented, but on its capacity to translate financial allocations into visible, measurable and sustainable improvements in the lives of our residents.

It is against this background that the 2027 Budget has been developed as a strategic instrument for service delivery recovery,

infrastructure renewal and institutional strengthening. Our responsibility is to ensure that every available dollar is directed towards clearly defined priorities, supported by realistic revenue projections, responsible expenditure commitments and measurable performance outcomes.

Our local priorities are firmly aligned with the national development agenda under the National Development Strategy **2** (**NDS2: 2026–2030),** which advances Zimbabwe's aspirations under **Vision 2030**: ***"Towards a Prosperous and Empowered Upper Middle-Income Society by 2030."*** They also reflect the national policy thrust for 2027, which emphasizes accelerating economic transformation and building resilience to climate and global shocks.

For Harare, this alignment is particularly important. As the country's capital and a major centre of economic activity, commerce, investment and public administration, the City's operational performance has implications that extend beyond its municipal boundaries. A functional Harare is essential to national competitiveness, investor confidence, employment creation and the broader economic development of Zimbabwe.

I am honored to present the **2027 Budget Estimates** for the City of Harare, **the Capital City of the Republic of Zimbabwe**, at a pivotal moment in our urban development trajectory. The 2027

Budget is the culmination of comprehensive consultations with our residents, ratepayers, and other key stakeholders across various sectors, in accordance with the **Urban Councils Act (Chapter 29:15).**

As articulated in the 2027 National Budget Strategy Paper and the Treasury Budget Call Circular presented by the Minister of Finance, **Hon. Professor Mthuli Ncube,** the national fiscal policy thrust for 2027 is anchored on the theme: **"Accelerating Economic Transformation and Building Resilience to Climate and Global Shocks."**

In alignment with this national policy direction, the City of Harare has adopted the following guiding theme for its 2027 fiscal year:

"**RESTORING SERVICES, RENEWING INFRASTRUCTURE AND BUILDING A RESILIENT, INCLUSIVE HARARE."**

This theme sums up our commitment to restoring the functionality and reliability of essential municipal services, rehabilitating, modernizing and expanding critical infrastructure, strengthening institutional capacity, and promoting inclusive, sustainable and climate-resilient urban development.

The year 2026 has tested the resilience of our institution and the capacity of our systems to respond to the growing and increasingly

complex demands of a modern capital city. These pressures have under-scored the urgency of addressing long standing infrastructure deficits, improving operational efficiency, strengthening financial sustainability and enhancing the quality and consistency of services provided to our residents. Health services must also remain prepared to respond to potential disease outbreaks and other public-health risks. Immediate preparedness measures should be undertaken through the authorised 2026 Budget, with the 2027 Budget providing for continued response and recovery.

Notwithstanding these challenges, the City has continued to draw strength from the unwavering engagement its residents, the cooperation of the business community, the contributions of civic organisations and the support of development partners. Their continued participation reflects a shared commitment to restoring Harare's standing as a functional, competitive, inclusive and liveable capital city.

The City has also continued to receive significant support from the Government across various areas of municipal operations and service delivery. This collaboration has been instrumental in strengthening efforts to address the city’s longstanding service delivery challenges and restore its status as a clean, orderly, and

well-managed capital. Notably, the launch and implementation of **Operation Chenesa Harare** stands out as a key initiative aimed at improving urban cleanliness, promoting environmental health, and restoring order across the city. These collective efforts will contribute significantly to the realization of our vision of becoming a **Liveable and Smart City of Choice by 2030.**

Your Worship, the 2027 Budget prioritizes disaster preparedness and resilience in response to risks posed by flooding, drought, fires and public health emergencies. The City will focus on drainage maintenance, emergency response capacity and interdepartmental coordination.

In anticipation of El Niño conditions, measures will also be taken to conserve water, protect critical infrastructure and prepare for potential water shortages. Risk mapping, early warning systems and public awareness will further strengthen the City's readiness to respond to emergencies. Deliberate efforts will be made to ensure the readiness of our infrastructure to with-stand adverse weather conditions, these include storm drains among other mitigation measures. These interventions demonstrate the City's commitment to proactive disaster risk reduction, protecting lives, safeguarding infrastructure and building a safer, more resilient Harare.

Accordingly, the 2027 Budget has been formulated as a fiscally disciplined, resource-backed and results-oriented financial and operational framework. It is intended to move the City beyond incremental responses to service delivery challenges towards a more structured programme of infrastructure renewal, institutional reform and sustainable urban development. The budget seeks to align available resources with the City's strategic priorities, while ensuring that expenditure commitments are informed by realistic revenue projections, clearly defined outputs and evident public value.

Our central objective is to close the gap between the services our residents require and the services the City is currently able to provide, while laying a firm foundation for long-term financial viability and improved municipal performance.

2. MOTION FOR THE PRESENTATION OF THE 2027 BUDGET ESTIMATES

Your Worship, in my capacity as Chairperson of the Finance and Development Committee, I hereby move this motion in accordance with **Section 276** of the Constitution of Zimbabwe (No. 20 of 2013), which empowers Local Authorities to levy rates and taxes necessary for fulfilling our devolved mandate.

Furthermore, this budget complies fully with Section 47 of the Public Finance Management Act [Chapter 22:19] and Section 288 of the Urban Councils Act [Chapter 29:15], requiring the submission of detailed estimates of revenue and expenditure alongside our strategic plan.

Guided by the Minimum Service Delivery Standards (MSDS) enshrined in Statutory Instruments **170 of 2025 and 69 of 2026**, and incorporating the mandatory directives of Central Government, our 2027 financial plan is structured across **six** core programmes:

i. Governance and Administration
ii. Water, Sanitation and Hygiene (WASH)
iii. Social Services
iv. Roads and Infrastructure
v. Public Safety and Security Services
vi. Natural Resources Conservation and Management

These six pillars constitute the foundation of the 2027 Budget. Their implementation will be guided by the principles of fiscal prudence, expenditure prioritization, value for money, transparency, accountability and measurable results. Particular emphasis will be placed on directing resources towards high-impact interventions that address the City's most pressing service delivery needs while strengthening its long-term institutional and financial sustainability.

Your Worship, the finalization of our **20-year Master Plan** guides our spatial transformation towards compact, vertical urban growth, arresting urban sprawl, and establishing smart commercial corridors and industrial parks. This is also a key guide to this budget.

Your Worship, the success of this budget will ultimately be measured not merely by the approval of financial allocations, but by our capacity to translate those allocations into tangible improvements in the daily lives of the residents of Harare. Every revenue stream must be managed responsibly, every expenditure commitment must be justified by public need, and every programme must be assessed against clearly defined performance targets and service delivery outcomes.

It is against this background that I hereby present and lay before this Council the consolidated **2027** Budget Estimates of Revenue and Expenditure, and the **2028-2020** Capital Development Plan, together with the associated programme priorities, for consideration and deliberation in accordance with the applicable legal and budgetary framework.

3. OVERALL OUTLOOK

Your Worship, the 2027 Budget comes at a critical time for Harare as the City seeks to restore essential services, strengthen its

financial position and improve the quality of life of its residents. Our priorities remain reliable water supplies, adequate sanitation, road maintenance, emergency response, functional markets and accessible public facilities.

Harare's position as the country's capital and a major commercial and industrial hub presents opportunities to expand investment and municipal revenue. To realise this potential, the City must improve infrastructure, streamline development approvals and strengthen its property and business revenue databases to ensure that all eligible contributors pay their fair share.

The budget will be guided by National Development Strategy 2, Vision 2030, the Master Plan and the 2026-2030 Strategic Plan, with resources directed towards measurable service-delivery outcomes. The Minimum Service Delivery Standards and the aspirations of the residents will guide our priorities.

Your Worship, the 2026 budget review highlights the gap between revenue billed and cash collected. Closing this gap will be essential to financing operations and development programmes. The 2027 Budget must therefore prioritise revenue enhancement, improved collection there-of, expenditure discipline and greater accountability in the use of public funds.

Capital investment will focus on rehabilitating water treatment works and distribution networks, renewing essential equipment and vehicles, and maintaining existing infrastructure. Public-private partnerships will be pursued where appropriate, subject to transparent processes, affordability, proper approvals in line with applicable legislation and clear public benefits.

Your Worship, the 2027 Budget is an opportunity to strengthen Harare's financial sustainability and restore public confidence through practical, measurable improvements. Our success will depend on mobilising revenue, prioritising essential infrastructure, managing expenditure responsibly and ensuring that every dollar spent delivers value to residents. Ultimately, our commitment must be reflected in reliable services, a safer urban environment and a City that responds effectively to the needs of its people.

4.0. ECONOMIC OUTLOOK (GLOBAL, REGIONAL, AND NATIONAL)

Your Worship, the 2027 Budget has been prepared against a changing global and regional economic environment. According to the 2027 National Budget Strategy Paper, global economic growth is projected to improve from **3.0%** in 2026 to **3.4%** in 2027, while Sub-Saharan Africa is expected to grow by **4.5%.** However,

geopolitical tensions, rising oil prices, potential declines in mineral prices and the forecast El Niño-induced drought in Southern Africa threaten economic stability and service delivery.

Domestically, Zimbabwe's economy is projected to grow by **5.0%** in 2027, following growth of **8.3%** in 2025. Inflation has moderated significantly to single-digit levels, the ZiG has remained relatively stable, and interest rates have declined, creating a more predictable environment for planning and investment.

Your Worship, as the country's commercial and financial hub, Harare stands to benefit from improved economic stability. However, this opportunity must translate into stronger municipal revenue and better services for residents and businesses.

This budget is anchored in the City's' vision and is aligned with the National Vision which places devolution at the centre of development. The priority is to strengthen financial sustainability, mobilise resources for infrastructure and improve service delivery.

Your Worship, economic stability provides an opportunity, but our responsibility is to turn that opportunity into tangible improvements: reliable water supplies, adequate sanitation, better roads, consistent refuse collection and a Council that earns the trust of its residents.

5.ACHIEVEMENTS

Your Worship, despite financial constraints, the City recorded notable progress in water and sanitation, public health, urban planning, education and institutional reform.

In water and sanitation, **66 kilometres of the targeted 106** kilometres of water network were replaced, **85,301 smart meters** installed, and **five pumps** commissioned at Darwendale Pump Station.

In public health, Kuwadzana Polyclinic was upgraded, and Edith Opperman Clinic refurbished and re-equipped. Mabvuku Polyclinic commenced emergency caesarean section services, while electronic health records and digital environmental health reporting strengthened healthcare delivery.

Progress was also recorded in education, housing and community infrastructure, including internet connectivity at 30 Council schools and three libraries, alongside ongoing construction and rehabilitation of schools, Mbare flats, Mabvuku No. 1 Community Stadium and the Chemhanza Home Industry.

Institutionally, Council migrated billing and receipting to the new BIQ system, strengthened employee performance management and introduced digital administrative processes.

Your Worship, these achievements demonstrate the City's continued commitment to improving services and strengthening institutional capacity despite prevailing challenges. The 2027 Budget seeks to consolidate this progress, address outstanding infrastructure gaps and accelerate the delivery of better services to our residents.

6. CHALLENGES

Your Worship, as we work towards achieving our 2027 Budget theme, **"Restoring Services, Renewing Infrastructure and Building a Resilient, Inclusive Harare,"** it is important to recognise the financial, operational and institutional challenges that continue to constrain the City's service delivery capacity.

The 2027 Budget must therefore prioritise prudent resource utilisation, enhanced revenue mobilisation, infrastructure renewal and improved operational efficiency. The major challenges requiring urgent attention are summarised below.

i. High Cost of Essential Operational Inputs

Your Worship, the need for foreign currency to procure essential inputs, particularly water treatment chemicals, continues to exert pressure on municipal finances. The City's estimated monthly requirement of **US$2.3million** to **US$2.7 million** for water

treatment chemicals underscores the need for improved cash-flow management, reliable procurement funding and sustainable foreign currency financing mechanisms to safeguard water supply. This is against the background of **80%** of the City's revenues being collected in the local currency with only **20%** being collected as USD.

ii. Inadequate Road Infrastructure Funding

The roads programme is capital intensive. Assessments indicate that over **40%** of the road network, representing more than **2,000 kilometres** is not in a good state. the City must strengthen engagement with ZINARA, Government and development partners to secure adequate funding. The 2027 Budget prioritizes road rehabilitation, routine maintenance and improved drainage infrastructure.

iii. Low Revenue Collection Efficiency

Your Worship, revenue collection remains one of the major challenges affecting the City's ability to deliver essential services. As at **30 September 2026**, the City's average collection efficiency stood at **58%**, a level that is inadequate to meet its operational and service delivery requirements.

This shortfall means that the City collects only a portion of the revenue billed, leaving insufficient funds to procure essential supplies, purchase water treatment chemicals, maintain roads, repair water and sewer infrastructure. It also affects the City's ability to pay suppliers on time, maintain operational equipment and implement planned capital projects, resulting in service delivery challenges.

Your Worship, improving revenue collection is therefore a key priority in the 2027 Budget. The City will need to strengthen debt recovery, capture all properties on the billing database, close revenue leakages and expand digital payment platforms. Greater accountability among revenue-generating departments, supported by regular monitoring of collection performance, will be essential to improving cash flow and ensuring that the revenue due to the City is collected and channeled towards service delivery.

iv. Ageing Infrastructure and Investment Gaps

Your Worship, the deterioration of water, sewer, road and drainage infrastructure has created a significant investment gap. In the water sector, demand continues to exceed available supply, compounded by ageing infrastructure, frequent breakdowns and water losses. While the existing partnership targeting the replacement of **10%** of the water distribution network is a welcome

intervention, additional resources are required to address the wider infrastructure deficit, improve service reliability and expand access to safe and adequate potable water.

Your Worship, addressing these infrastructure challenges will require a sustained and phased investment programme, supported by effective asset management and strict regular maintenance. The City must continue to strengthen partnerships with Government, development partners and the private sector to mobilise the additional funding needed to rehabilitate ageing infrastructure, expand service capacity and ensure the long-term sustainability of municipal services.

v. Inadequate Plant, Equipment and Fleet Capacity

The shortage of plant and equipment continues to undermine road maintenance, drainage clearing and other essential operations. The City will prioritise the recapitalisation and maintenance of critical equipment while exploring cost-effective leasing and service partnerships.

vi. Procurement Bottlenecks

Delays in procurement processes have affected the timely acquisition of essential supplies, equipment and services. To improve budget execution, the City must strengthen procurement

planning, streamline internal processes within the law, enhance departmental coordination and monitor procurement milestones to ensure that approved projects are implemented on schedule.

Your Worship, addressing these challenges requires a coordinated and results-oriented approach anchored on expenditure prioritisation, realistic revenue projections, strengthened internal controls and measurable performance targets. The successful implementation of the 2027 Budget will depend on effective resource management, improved revenue collection, strategic infrastructure investment and collaboration with Government, development partners, the private sector and residents. Through sound financial management and enhanced accountability, we can progressively restore essential services and build a resilient, inclusive and sustainable Harare.

In this regard, **residents and ratepayers must recognise that living in a city such as Harare comes with financial obligations, which must be met consistently and responsibly. Effective service delivery depends largely on the City's financial sustainability, which is underpinned by revenue collection. Failure to meet these obligations undermines the City's capacity to provide essential services and maintain critical infrastructure. I therefore urge all residents and**

ratepayers to honour their payment obligations to enable the City to deliver quality and reliable services.

7.AUDITS

Your Worship, on 30 June 2026, the City successfully adopted and signed the **2022 and 2023** Annual Financial Statements. In addition, fieldwork for the **2024 and 2025** financial years has been completed, with the finalisation of these statements targeted for the end of November **2026**. Completing the audit process for **four** financial years within a single calendar year is a clear demonstration of the City's determination to strengthen financial accountability, improve institutional efficiency and restore confidence in its financial reporting systems.

This milestone will bring the City's financial reporting up to date and reinforces our commitment to transparency, accountability and responsible stewardship of public resources. More importantly, it positions the City to unlock critical funding opportunities, attract investment and strengthen partnerships necessary to accelerate infrastructure development, improve service delivery and support sustainable economic growth.

Going forward, the City is committed to meeting all statutory deadlines, addressing previous recommendations made by the

Auditor-General, and strengthening financial management and reporting practices to improve the quality of its audit opinions.

As we deliberate on this Budget, we must recognise that credible and up-to-date financial statements are not merely a compliance requirement; they are a fundamental pillar of sound financial management and a key enabler of the City's development agenda.

8. BUSINESS DEVELOPMENT UNIT AND OPPORTUNITIES

Your Worship, in line with the Minimum Service Standards, the 2027 Budget seeks to strengthen the City's financial sustainability by maximizing returns from municipal assets, expanding revenue sources and attracting private sector investment. The Minimum Service Delivery Standards set a financial sustainability target of **80%.** Council must therefore maximise returns from its existing assets and strengthen revenue generation to achieve this target and ensure compliance with statutory requirements.

i. Strategic Business Units

Through the Business Development Unit (BDU), Council will focus on improving the performance of its Strategic Business Units (SBUs) and developing viable Public-Private Partnerships (PPPs) to support infrastructure development and service delivery.

In 2027, the City will focus on strengthening the performance of its Strategic Business Units (SBUs) to enhance operational efficiency, improve revenue generation and increase their contribution to Council's financial sustainability. Emphasis will be placed on sound financial management, effective resource utilisation, improved service delivery and the adoption of commercially viable business models.

City Parking Private Limited will prioritise the modernisation of parking systems to deal with the challenges that the motoring public has been facing, improve traffic management, development of commercial parking facilities and enhance revenue generation. The City will also focus on improving traffic signal infrastructure and supporting road maintenance, particularly within the Central Business District (CBD).

Rufaro Marketing Private Limited will focus on maximising returns from the City's property portfolio through lease reviews, recovery of rental arrears, improved property management and redevelopment of underutilised assets.

Overall, the City's approach to SBUs in 2027 will be to enhance their commercial viability, strengthen governance, improve service delivery and ensure that they make a more sustainable contribution to Council's revenue base.

ii. Public-Private Partnerships

Your Worship, the scale of the City's infrastructure requirements calls for additional financing beyond traditional municipal revenue. Council will therefore pursue viable PPPs to attract private capital, technical expertise and modern technology for the development and management of essential infrastructure.

Priority areas will include water and sanitation, wastewater treatment, public transport termini, markets and commercial property development.

Guided by the above, we are scaling up PPP frameworks to bridge infrastructure funding gaps without overburdening the fiscus. Key ongoing and upcoming PPPs include:

- The **USD342 million** WASH modernization agreement for **320,000** prepaid meters, water pipe replacements and Morton Jaffray Water Treatment Plant rehabilitation.
- A proposed **USD 750 million** wastewater treatment and conveyance rehabilitation PPP.
- The proposed development of the **100MW** solar plant at Crowborough Farm to reduce reliance on the national grid and reduce municipal power costs.

- Modernization of municipal markets (Mbare Phase 1 and 2/Tsiga, Shawasha, and Glen View markets). The city also seeks to ensure that every ward has at least two functional and modern market facilities.

The City has also developed a comprehensive investment prospectus valued at **US$4.2 billion**, outlining a range of investment opportunities and potential areas of collaboration with prospective investors.

9. ROADS FUNDING

Your Worship, the Zimbabwe National Road Administration (ZINARA) remains a key funding partner in the City's efforts to rehabilitate and maintain its road network.

For the 2026 financial year, the City was allocated **ZiG 75,7million** towards road maintenance. As at 23 October 2026, a total of **ZiG 41,48million** had been disbursed, representing **54.8%** of the annual allocation. This leaves an outstanding balance of **ZiG 34,245 million**, equivalent to **45.2%** of the allocation. We remain optimistic that the outstanding balance will be released soon, following ongoing engagements with ZINARA. The anticipated release of these funds will be critical in sustaining ongoing road maintenance interventions.

As we implement the 2027 Budget, Council will continue to strengthen the planning, utilisation, monitoring and timely acquittal of road maintenance funds to ensure compliance with funding requirements, facilitate the uninterrupted flow of resources and maximise the impact of every dollar invested in our road infrastructure.

Our commitment remains to ensure that available resources are translated into tangible improvements in road quality, safer mobility and better service delivery for the residents of Harare.

10. DEVOLUTION FUNDING

Your Worship, devolution funding remains an important source of financing for local infrastructure and community services. Its effectiveness depends on the timely release of funds and the City's ability to convert allocations into completed, functional projects.

As at 30 September 2026, the City had received **ZiG20.6 million** in devolution funds. The indicative allocation for 2026 was **ZiG565,7million**, distributed across water, sanitation and hygiene, roads and social services.

Your Worship, additional funding will be critical to accelerating the implementation of planned interventions and ensuring the timely completion of essential water, sanitation, road and community

infrastructure projects. Council will continue engaging the relevant authorities to improve the timely release of devolution funds.

For **2027**, priority will be given to projects with direct community benefits, including water and sanitation infrastructure, health and education facilities, roads and drainage.

11. REVIEW OF 2026 BUDGET PERFORMANCE (JANUARY – SEPTEMBER)

Your Worship, an objective evaluation of our performance during the first nine months of 2026 (**January to September**) provides vital lessons for our 2027 projections. During the period January to September 2026, the City recorded receipts of **ZiG5.199 billion** against billings of **ZiG8.925 billion**, representing a collection efficiency of approximately **58%**. The outstanding difference of **ZiG3.726 billion** highlights the continuing challenge of converting billed revenue into cash available for service delivery.

This shortfall has affected the City's ability to procure essential supplies, maintain infrastructure, meet operational obligations and implement planned projects. Improving collection efficiency is therefore central to the 2027 Budget. The City must also strengthen debt recovery, resolve customer queries promptly and provide

multiple payment options, while ensuring that residents receive reliable services.

11.1. Expenditure Performance

Your Worship, accrued expenditure for the period under review amounted to **ZiG7.297 billion**. Employee compensation accounted for **52%** of total accrued expenditure, goods and services, repairs and maintenance and other obligations accounted for the remaining **48%.**

Capital expenditure amounted to **ZiG1.517 billion** against a proportionate budget of **ZiG4.932 billion**, representing an implementation rate of **30.75%.** Of this capital expenditure, **ZiG 1.3 billion** was financed through Public-Private-Partnerships. Implementation was constrained by limited cash resources and the need to prioritise essential operating costs, particularly water treatment chemicals and electricity. Consequently, the pace of infrastructure rehabilitation and other planned capital projects remained below the desired level.

11.2. Debtors and Creditors

Your Worship, the City's outstanding debtors increased by **41%** between January and September 2026, reaching **ZiG11.898 billion**. Domestic consumers accounted for **ZiG8.437 billion**,

followed by commercial entities at **ZiG 2.474 billion**, industry at **ZiG 1.490 billion**, local authorities at **ZiG 1.330 billion** and government at **ZiG 532 million.**

This growing debt continues to constrain cash flows and limit our capacity to deliver services.

On the creditors' side, outstanding obligations stood at **ZiG2.511** billion, of which **ZiG1.454 billion**, representing **58.58%,** is owed to ZESA. This substantial electricity obligation places further pressure on the City's finances, particularly given the energy requirements of water supply and waste water management.

Your Worship, the City will strengthen revenue collection and prioritise expenditure to promote financial stability and ensure the timely fulfilment of its obligations. These measures will support consistent supplier payments, sustain essential services and enable greater investment in infrastructure renewal for improved service delivery.

12. GENDER BUDGET STATEMENT

Your Worship, the 2027 Budget recognises the different ways in which municipal services affect residents. Irregular water supplies increase household care responsibilities, while inadequate

sanitation, inaccessible public facilities and unsafe trading spaces limit participation in education, employment and business.

Council will therefore integrate gender equality, disability inclusion and the needs of vulnerable groups into its six programmes. The focus will be on improving access to essential services, creating economic opportunities and ensuring that public infrastructure responds to the needs of all residents.

In alignment with NDS2 and SDG 5 (Gender Equality), the 2027 budget intentionally mainstreams gender and social inclusion across all municipal departments. At least **5%** of capital and operational resources are targeted towards vulnerable groups:

- Reserving at least **50%** of newly developed market stalls and small business workspaces for women-led enterprises and persons with disabilities.
- Expanding the Community Health Equity Fund (CHEF) to ensure affordable health services for the residents.
- Constructing inclusive public ablution facilities equipped with ramps and accessibility features.

In addition to the above, the following are key interventions:

12.1 Water, Sanitation and Hygiene

Your Worship, investment in water infrastructure will prioritise communities experiencing persistent supply challenges. The proposed Letombo Pump Station interventions are intended to improve water services in the areas supplied, including Mabvuku.

Public ablution facilities will be designed to provide, adequate hygiene and accessibility for persons with disabilities. Proposed maternity-facility improvements at Rujeko, Tariro and Marlborough will support access to maternal healthcare, alongside wider improvements to clinics and polyclinics.

These facilities will be equipped with appropriate medical equipment, adequate staffing and reliable water and electricity supplies. Tariff decisions have also considered their implications for access to essential services, particularly for vulnerable households.

12.2. Livelihoods, Youth Development and Safety

Your Worship, improvements to markets like Mupedzanhamo, Glen Norah, Chemhanza in Glen-View, Kuwadzana and other priority areas will focus on sanitation, lighting and safe access. Allocation of trading spaces will be transparent and provide fair opportunities for women, young people, persons with disabilities

and other vulnerable groups. In particular, the fire-prone Glen-View 8 furniture market will be decommissioned temporarily to allow for the modernisation of the facility with Chemhanza providing relief for the current Glen View 8 traders.

Youth skills programmes and proposed rehabilitation services at Halfway Home, Old Highfield and Matapi will also be advanced to help mitigate the prevalence of drug and substance abuse in our communities.

Public lighting and high-mast installations will be prioritised across all wards in Harare. Roads will also be attended to accommodate safe pedestrian and cyclist movements and improve road safety.

These interventions are intended to improve the safety, inclusivity and accessibility of public places and amenities.

13. 2027 REVENUE AND CAPITAL ESTIMATES

Your Worship, the 2027 financial plan places revenue mobilisation and infrastructure renewal at the centre of the City's recovery programme. The proposed estimates provide for recurrent expenditure of **US$504.6 million** and capital expenditure of **US$313.7 million**, giving a total budget envelope of **US$818.3 million** spread across programmes as follows:

Programme	Allocation (US$ million)	Approximate share
Governance and Administration	134.720	16.46%
Water, Sanitation and Hygiene	369.500	45.16%
Social Services	146.750	17.93%
Roads	110.340	13.48%
Public Safety and Security	55.130	6.74%
Natural Resources Conservation and Management	1.891	0.23%
Total	**818.331**	**100.00%**

Capital expenditure represents **38.3%** of the proposed budget, while recurrent expenditure accounts for **61.7%.** This allocation reflects the need to sustain day-to-day municipal operations while directing substantial resources towards infrastructure rehabilitation and service delivery improvements.

Your Worship, the proposed **US$313.7 million** capital programme will prioritise water and sanitation, community facilities, roads, public safety and administrative systems. Investments in ERP integration, operational fleet renewal, smart water meters and

network rehabilitation will support service delivery and strengthen revenue assurance.

Energy-efficiency measures, including suitable solar installations, will be considered. Fleet tracking, asset registers and maintenance plans will help protect municipal investments and improve operational efficiency.

13.1 Governance and Administration (USD 134.7 million)

Capital Expenditure will be **USD 33.7 million** with **USD 101 million** being recurrent operational cost.

Your Worship, this programme will support the institutional, financial and administrative functions required for effective municipal operations. Priorities include revenue and budget management, corporate services, human resources, ICT systems, ERP integration, planning, valuation, procurement, audit and internal controls.

Investment in digital systems will improve the accuracy of customer and asset records, strengthen financial reporting and support timely decision-making. Staff development and deployment will be aligned with operational needs and affordability.

Administrative expenditure will remain focused on enabling frontline service delivery.

13.2 Water, Sanitation and Hygiene (USD 369.5 million)

Capital Expenditure will be **USD 189.9 million** with **USD 179.6 million** being recurrent operational cost. The service categories in this programme are:

i. Water Services with an allocation of **USD 246.3 million being 67%** of the programme budget.
ii. Wastewater management with an allocation of **USD 81.1 million being 22%** of the programme budget and
iii. Solid Waste management with an allocation **of USD 42.1 million being 11%** of the programme budget.

Your Worship, WASH accounts for **45%** of the proposed budget, reflecting the importance of reliable water, sanitation and refuse collection to public health and economic activity.

Your Worship, water and sanitation remain central to the City's capital investment programme. Priority projects include rehabilitation of the water treatment facilities, replacement of ageing water and sewer mains, further smart-meter installations and improvements to wastewater conveyance and treatment.

The Amalinda stream-crossing and associated sewer infrastructure works will remain key priorities in strengthening sewer system reliability, minimising sewer challenges and safeguarding public health.

Smart metering will be accompanied by reliable water supply, accurate customer records and effective billing. Its success will be measured by functioning installations, improved consumption information, reduced water losses and better revenue collection. Network rehabilitation will similarly be supported by accurate asset records and appropriate maintenance and pressure management.

The City is also investing directly into refuse management to augment the existing partnership with Geo-Pomona. This is to ensure **100%** refuse collection efficiency across the City.

Council will also prioritise the recapitalisation of operational plant and equipment, including graders, tippers, backhoe loaders, excavators and other machinery. Acquisitions will be phased according to service delivery requirements, funding availability and operational readiness, with maintenance and operator capacity provided for from the outset.

The proposed performance targets include water production of **520 mega litres** per day, a **60%** reduction in sewer blockages, full

refuse-collection and water supply coverage and a **50%** reduction in non-revenue water.

Your Worship, the success of this programme will be measured by improvements in service reliability and the effective use of infrastructure.

13.3 Social Services (USD 146.75 million)

Capital Expenditure will be **USD 49.95 million** with **USD 96.8 million** being recurrent operational cost.

The Social Services programme will support health, housing and estates, education facilities, parks and cemeteries, markets, welfare and other community services.

Your Worship, priorities include clinic and polyclinic improvements, Council primary schools, community halls, district offices and Mbare urban renewal. Proposed maternity-facility improvements at Rujeko, Tariro and Marlborough, together with diagnostic and theatre facilities at Wilkins, will proceed in line with approved funding and implementation schedules. **The City will also undertake a project to upgrade and enhance Harare Gardens, with the aim of transforming it into a well-maintained, accessible, and suitable recreational facility for residents and visitors.**

City wide markets improvements will focus on sanitation, accessibility and safer trading conditions. Housing and estate initiatives will strengthen property administration, servicing and regularisation.

The City recognises that markets provide livelihoods for thousands of residents and support the wider urban economy. At the same time, unregulated trading can obstruct roads, pedestrian routes and emergency access, while placing pressure on sanitation and public health.

The on-going Operation Chenesa, that has also been adopted nationwide and the urban regeneration and decongestion trajectory in conjuction with the Government are welcome developments for the City. Council will reinforce this mission by providing inclusive, suitable, serviced and accessible trading areas. Engagements with trader organisations, residents, businesses and relevant Government agencies will remain an important driver of the successful achievement of a smart Harare. This, Your Worship, will be an accelerator to the National Vision 2030.

13.4 Roads (USD 110.34 million)

- Capital Expenditure will be **USD 24.68 million** with **USD 85.66 million** being recurrent operational cost.
- Road Maintenance and Rehabilitation has been allocated **USD 82.8 million being 75%** of the programme.
- Drainage and Storm Water Management has been allocated **USD 10.2 million being 9%** of the programme and
- Traffic Management has been allocated **USD 17.2 million being 16%** of the programme.

Your Worship, the Roads programme will support maintenance and rehabilitation, drainage improvements and traffic management. The priority is to improve safety and protect the existing network through timely preventative maintenance.

Proposed works include reconstruction of roads across Harare, drainage improvements and works at the Rezende Bus Terminus. The programme also provides for roads specific equipment, intersection improvements, solar traffic signals, road markings and signage along key routes.

Funding will be drawn from City resources and confirmed external allocations.

13.5 Public Safety and Security (USD 55.13 million)

Capital Expenditure will be **USD 15 million** with **USD 40.13 million** being recurrent operational cost.

- Emergency Services has been allocated **USD 17.39 million being 32%** of the programme.
- Municipal Police has been allocated **USD 27.23 million being 49%** of the programme and
- Public Lighting has been allocated **USD 10.5 million being 19%** of the programme.

Your Worship, this programme will strengthen fire and ambulance services, municipal policing and public lighting. Priorities include emergency vehicles and equipment, fire station infrastructure, training facilities, streetlight rehabilitation and high-mast lighting in identified priority areas.

The proposed acquisition of ambulances, together with fire tenders and water carriers, will be phased according to available funding and operational requirements.

Public lighting will focus on markets, transport facilities and other locations where safety improvements are required.

13.6 Natural Resources Conservation and Management (USD 1.89 million)

Capital Expenditure will be **USD 559.5 thousand** with **USD 1.33 million** being recurrent operational cost.

Your Worship, the City is custodian to the precious environment that defines the Sunshine City. In promoting environmental sustainability, the City will invest in deliberate efforts to preserve wetlands and the wider eco-system in Harare.

This programme will support environmental protection, urban greening, climate awareness and the conservation of natural resources. Protecting wetlands, water resources and other sensitive ecosystems is important to reducing pollution, managing flood risks and safeguarding infrastructure.

Proposed interventions include tree planting under the Green Harare initiative, community climate-awareness programmes, wetland protection and community recycling initiatives. The programme will work all the other five programmes to address environmental risks arising from development, waste disposal, inadequate drainage and other issues arising from operations. Progress will be monitored through measurable environmental improvements and compliance with applicable requirements.

13.7 Disaster Preparedness and Resilience

Your Worship, in accordance with the Ministry's directive requiring at least **2%** of the annual budget to be allocated to disaster preparedness, response and recovery, the City has provided **US$16.1 million** as a general provision against the proposed budget envelope of **US$818.3 million**. This is outside the direct preparedness that is inherent in the City's functions such as roads (for drain clearing), emergency services division equipment and other areas.

This provision is intended to support contingency planning, emergency supplies, transport and logistics, search and rescue, temporary shelter, restoration of essential infrastructure and community preparedness.

The allocation will be monitored across the relevant programmes, with clear identification of qualifying expenditure. Departments will also ensure that the necessary plans, equipment and implementation arrangements are in place to support an effective response to emergencies.

13.8 Capital Funding and Implementation

Your Worship, the scale of Harare's infrastructure requirements calls for a combination of internally generated resources,

devolution funding, approved borrowing and appropriately structured partnerships and other alternative financing mechanisms. Each funding source will be assessed against its certainty, conditions and timing to ensure that projects are not undertaken on the strength of unconfirmed resources.

Your Worship, the proposed capital estimates of **USD 313.7 million** before you will be funded by a blend of sources. Devolution constitutes **(6.4%),** Donations (**0.52%),** PSIP **(15.27%),** PPP **(31.23%),** ZINARA **(4.2%),** loans **(10.5%)** and own revenues **(31.8%)** of the total capital budget.

13.9 Revenue Mobilisation

Your Worship, internally generated revenue for the year 2027 is projected at **US$599.5million**. Property rates, water, wastewater, refuse, development-related fees, business and health income, and housing and estate receipts will remain important sources of revenue. The following revenue streams are budgeted to contribute to the **USD 599.5 million** base.

SOURCE	AMOUNT IN USD
Refuse collection	42 million
Wastewater	41.3 million
Property tax	225.2 million
Cemetery fees	2.3 million
Water services	127.5 million
Business licence & Health fees	21.6 million
Municipal police services	2.6 million
Housing	22.2 million
Estates	36.7 million
Welfare	2 million
Building inspectorate	22.1 million
Emergency services	7.9 million
Education fees	2.8 million
Town planning fees	19.2 million
SMEs	4.2 million
Other Fees	19.6 million

The City will strengthen revenue mobilisation through improved billing coverage, updated property records and the timely capture of changes in property use. From the on-going regularization

process, eligible properties will be added onto the billing system once the due processes have been completed.

The City will further enhance revenue administration through digital billing, electronic receipting and the provision of convenient payment platforms. Customer records will be reconciled across property, technical and financial systems to improve data accuracy, while billing discrepancies and customer disputes will be resolved promptly. The efficient processing of development and business approvals will also be prioritised, without compromising statutory requirements, service standards and internal controls.

Overall, the City's revenue enhancement programme will seek to expand and optimise the existing revenue base, strengthen financial management and improve collection efficiency, complemented by the tariff proposals submitted for Council's consideration. These measures are intended to enhance the City's capacity to finance infrastructure development, maintain municipal assets and deliver sustainable, quality services to residents.

14. KEY TARIFFS

Your Worship, the proposed 2027 tariff framework seeks to balance the financial sustainability of municipal services with the

need to keep charges understandable and affordable for households and businesses.

The proposals retain several existing service charges while introducing selected adjustments. Their success will depend not only on the tariffs approved but also on the full fiscal participation of all residents, improved collection efficiency and effective control of operating costs. Residents are therefore encouraged to honor their obligations.

14.1 Water Tariffs

Your Worship, the proposed tariffs retain the existing rates for conventional and prepaid customers. The ongoing smart-metering programme will improve consumption records, support efficient billing and encourage responsible water use.

Residential water tariffs in USD per cubic metre

Customer category	2026 tariff	Proposed 2027 tariff
High-density conventional	1.80	1.80
High-density prepaid	1.89	1.89
Low-density conventional	2.23	2.23
Low-density prepaid	2.34	2.34

The commercial fixed water charges also remain unchanged.

Commercial water fixed charges (USD)

Consumption category	2026 charge	Proposed 2027 charge
0–100 cubic metres	50.00	50.00
Above 100–200 cubic metres	75.00	75.00
Above 200–500 cubic metres	150.00	150.00

14.2 Sewerage and Refuse Collection

The proposed sewerage and refuse charges retain the existing rates. These charges support the operation and maintenance of sewer networks, wastewater treatment and refuse collection services, all of which are essential to public health and environmental protection.

Proposed sewerage and refuse charges (USD)

Service category	2026 charge	Proposed 2027 charge
Residential sewerage — high-density	9.00	9.00
Residential sewerage — low-density	13.00	13.00
Commercial sewerage per fitment	17.20	17.20
Domestic refuse — high-density, weekly collection	9.00	9.00
Domestic refuse — low-density, weekly collection	13.00	13.00
Commercial refuse	26–39	26–39
Industrial refuse	22–39	22–39

Refuse charges will continue to reflect the applicable customer category and service arrangement. Maintaining the proposed rates places greater emphasis on efficient collection routes, adequate fleet availability and complete billing coverage.

14.3 Business Licences and Enterprise Development

Your Worship, the City will continue to support legitimate business activity while ensuring compliance with licensing, public health and other applicable requirements. Clear licensing procedures, timely processing and accessible information are essential to improving compliance and supporting the business community.

The proposed shop licence for premises measuring **50–100 square** metres increases from **US$300** in 2026 to **US$350** in 2027, while the charge for premises above **100 square metres** remains **US$500**. The proposed fees are aligned with the Model Fees By-laws promulgated under Statutory Instrument 41 of 2026, which prescribes the maximum permissible charges for the various categories.

For hairdressers, the proposed Class A charge increases from **US$230 to US$260**, while Class B remains at **US$173**. Non-food hawker fees increase from **US$55 to US$58**, while food hawker fees remain at **US$58**.

14.4 Health Fees Adjustment for 2027

Your Worship, to maintain primary healthcare delivery and medicines availability across our polyclinics and hospitals in compliance with **WHO** standards.

Category / Item	Existing (2026 USD)	Proposed (2027 USD)
Clinic Fees		
Adult	5	7
Child	3	5
Hospital Fees		
Adult	20	30
Child	10	20
Maternity Fees	25	30

15. EXPECTED RESULTS

Your Worship, the 2027 financial plan seeks to improve revenue collection, accelerate the implementation of priority projects and restore greater predictability to municipal operations.

Residents should see improvements in water supply reliability, sanitation, road conditions, emergency response and access to public amenities. Programme will be held accountable for the

outputs funded through their budgets, supported by quarterly reviews of expenditure and service delivery performance.

15.1 Accountability Across Programmes

Your Worship, the proposed allocations will be matched by clear responsibility for implementation and results. Each programme will report quarterly on expenditure, commitments, physical progress and any factors affecting delivery.

Ultimately, the success of the 2027 Budget will be measured not only by how much is spent, but by the improvements residents experience in water supply, sanitation, roads, public safety, health, education and other municipal services.

16. RECOMMENDATIONS

Your Worship, to guarantee the successful execution of the 2027 Budget, I put forward the following key recommendations for Council adoption:

i. **Expedite Full ERP Implementation and Integration:** Finalize the rollout of the Enterprise Resource Planning system across all revenue, billing, procurement, and asset management modules by the end of the first quarter of 2027.

ii. **Enforce Audit Compliance:** Accelerate the clearance of outstanding audit findings (2022–2024 financial statements) to achieve full Public Finance Management Act (PFMA) compliance and restore institutional credibility.

iii. **Strengthen Revenue Collection:** Maintain intensified debt recovery campaigns.

iv. **Broaden smart meter utilisation**. Onboard other services to the prepaid water meter management system.

v. **Finalisation of the Regularisation of Settlements:** As the Minimum Service Delivery Standards emphasise on the functionality of settlements, Council should ensure the regularization process is finalized to allow for sustainable development and revenue generation.

vi. **Sale of Serviced Stands:** Council should ensure that only fully serviced stands are allocated, with all allocations taking place after the necessary infrastructure and services have been adequately provided within planned settlements.

vii. **Introduction of a Mandatory Rates Clearance Requirement:** Council to lobby government to ensure that production of a valid rates clearance certificate be made mandatory under the Title Deeds Validation and Securitization Programme.

viii. **Enforcement:** Strengthening the enforcement of municipal by-laws and enhancing the capacity of municipal police officers in preparation for the granting of arresting powers.

ix. **Public Private Partnerships:** Promoting and strengthening Public-Private Partnerships (PPPs) to mobilise additional resources, expertise and investment for improved municipal infrastructure development and enhanced service delivery

x. **Updating of the General Valuation Roll**: Council should undertake an update of the General Valuation Roll to reflect recent developments in the property market and changes in property values.

17. CONCLUSION

As I conclude, Your Worship and Fellow Councilors, I wish to express my sincere appreciation to everyone who contributed to the preparation of the 2027 Budget.

First, I extend my heartfelt thanks to all residents and stakeholders who took the time to share their views and recommendations. Their contributions were valuable in helping us identify the community's priorities and develop a budget that is comprehensive, practical and financially responsible.

Their participation has also reinforced the importance of transparency, accountability and working together in the best interests of our community. We recognise that meaningful public engagement is essential to ensuring that our decisions reflect the needs and aspirations of the people we serve.

I would also like to thank my fellow Councilors for their input, guidance and considered deliberations throughout the budgeting process.

Finally, my sincere appreciation goes to the Acting Town Clerk, the Acting Finance Director and their respective teams, together with all Heads of Department and staff, for their dedication, hard work and commitment in preparing these estimates.

To everyone who played a part in this process, I thank you for your time, effort and valuable contribution.

We express our profound gratitude to the Government of the Republic of Zimbabwe for its invaluable support and continued commitment.

Your Worship, Fellow Councillors, esteemed residents and stakeholders—this 2027 Budget is our collective pledge to transform service delivery. Built upon rigorous community consultations, aligned with national **NDS2** imperatives, and

anchored on our guiding theme**—"RESTORING SERVICES, RENEWING INFRASTRUCTURE AND BUILDING A RESILIENT, INCLUSIVE HARARE"—**it provides a realistic, courageous, and transformative roadmap for our capital city.

The realization of this vision rests upon our shared commitment: when residents meet their civic obligations by paying their rates on time, the City delivers reliable water, clean streets, functional streetlights, and responsive social services. Let us move forward together in unity, discipline, and hard work to achieve a liveable and smart city.

I NOW HAVE THE PRIVILEGE, YOUR WORSHIP, FELLOW COUNCILLORS, TO REQUEST COUNCIL TO APPROVE THE 2027 ESTIMATES OF REVENUE AND EXPENDITURE AND THE 2028-2030 CAPITAL DEVELOPMENT PLAN.

I THANK YOU! TATENDA! SIYABONGA! TWALUMBA!

SIGNED:

CLR. JUBILATION. C. SHOKO CHAIRPERSON, FINANCE AND DEVELOPMENT COMMITTEE