



MADIBENG LOCAL MUNICIPALITY



PUBLICATION OF APPROVED 2022/2023 – 2024/2025 FINAL ANNUAL BUDGET OF MADIBENG LOCAL MUNICIPALITY

The Final Budget for Madibeng Local Municipality is published in accordance with the Municipal Finance Management Act, no. 56 of 2003, the Municipal Property Rates Act 2004 (Act 6 of 2004) and the Local Government Municipal Systems Act 32 of 2000. This budget was tabled in compliance with the National Treasury Circulars and was approved in Council on 31 May 2022. Copies of the Final Budget are available at all the Municipal Offices. Alternatively, the budget office can be contacted for assistance on (012) 318 9228/9225 or jamesmotaung@madibeng.gov.za / mosasekori@madibeng.gov.za

Policy, Property Rates Policy & Bylaw, Tariff Setting Policy & Bylaw, Cash Management and Investment Policy, Indigent Household Subsidy Policy, Supply Chain Management Policy, Asset Management Policy, Credit Control and Debt Collection Policy & Bylaw, etc.

1. OPERATING REVENUE AND EXPENDITURE FRAME-WORK

The proposed main average tariff increases are as follows:

Council adopted amendments of all budget related policies, i.e. Budget & Virement

Table 1: The proposed main average tariff increases are as follows:

Description	Approved Previous Year 2020/21	Approved Current Year 2021/22	MTREF		
			Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Property rates	0%	0%	0%	4.40%	4.50%
Electricity	8,10%	5.2%	7.47%	4.40%	4.50%
Water	4,90%	3.90%	4.80%	4.40%	4.50%
Sewerage	4,90%	3.90%	4.80%	4.40%	4.50%
Refuse Removal	4,90%	3.90%	4.80%	4.40%	4.50%
Surcharges	4,90%	3.90%	4.80%	4.40%	4.50%
Other services	4,90%	3.90%	4.80%	4.40%	4.50%

Table 2: Summary of Operating Revenue by Revenue Source

Description	Ref	2018/19			Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	250 694	338 056	336 843	265 602	276 000	276 000	372 547	388 939	406 441	406 441
Service charges - electricity revenue	2	403 670	462 402	522 622	600 156	600 156	600 156	618 729	645 953	675 021	675 021
Service charges - water revenue	2	166 370	168 222	171 430	195 194	195 194	195 194	195 369	203 965	213 143	213 143
Service charges - sanitation revenue	2	47 598	52 745	54 361	64 630	64 630	64 630	58 851	61 441	64 206	64 206
Service charges - refuse revenue	2	46 120	54 906	55 580	57 878	57 878	57 878	65 757	68 650	71 739	71 739
Rental of facilities and equipment		1 020	1 101	4 878	7 008	2 008	2 008	1 735	1 811	1 892	1 892
Interest earned - external investments		5 843	3 831	5 867	4 801	5 801	5 801	6 376	6 656	6 956	6 956
Interest earned - outstanding debtors		56 828	130 798	114 823	109 425	119 425	119 425	131 166	136 938	143 100	143 100
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		156	4 271	3 006	2	2	2	2	2	2	2
Licences and permits		6 724	22 460	4 868	549	549	549	611	2 542	2 656	2 656
Agency services		13 216	11 010	12 591	12 000	12 000	12 000	12 000	12 528	13 092	13 092
Transfers and subsidies		854 732	706 228	913 335	831 904	831 904	831 904	953 450	1 048	1 155	1 155
Other revenue	2	3 806	3 610	5 313	6 611	5 411	5 411	6 031	458	094	094
Gains		9 515	725	116	-	-	-	-	6 296	6 580	11 010
Total Revenue (excluding capital transfers and contributions)		1 866 291	1 960 365	2 205 633	2 155 760	2 170 958	2 170 958	2 422 623	2 584 178	2 759 922	2 759 922

Motlalekgomo Mmope: **Municipal Manager (Acting)**

Date of Issue: 30 June 2022

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Table 3: Summary of Operating Expenditure by type

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Expenditure By Type											
Employee related costs	2	516 496	540 461	591 539	605 234	636 774	636 774	690 491	720 872	753 312	850 502
Remuneration of councillors		31 050	31 862	31 660	33 425	33 425	33 425	35 362	36 918	38 580	43 135
Debt impairment	3	936 713	434 170	52 802	220 000	220 000	220 000	220 000	229 680	240 016	268 358
Depreciation & asset impairment	2	474 165	322 614	322 897	435 000	435 000	435 000	350 000	365 400	381 843	445 617
Finance charges		4 123	20 182	21 981	150 010	78 510	78 510	66 000	68 904	72 005	80 507
Bulk purchases - electricity	2	582 161	495 331	628 351	580 000	551 000	551 000	580 000	605 520	632 768	707 490
Inventory consumed	8	13 080	19 613	22 877	159 302	159 302	159 302	166 083	173 391	180 699	180 699
Contracted services		251 361	244 958	260 114	250 455	256 696	256 696	260 466	271 089	284 563	317 310
Transfers and subsidies		4 051	4 087	11 892	4 700	4 650	4 650	7 000	7 308	7 637	8 539
Other expenditure	4, 5	97 353	188 245	207 575	196 964	199 303	199 303	154 551	161 352	168 612	187 711
Losses		10 456	11 130	3 152	-	-	-	-	-	-	-
Total Expenditure		2 921 009	2 312 652	2 154 840	2 635 090	2 574 660	2 574 660	2 529 953	2 640 434	2 760 034	3 089 869
Surplus/(Deficit)		(1 054 718)	(352 286)	50 794	(479 330)	(403 702)	(403 702)	(107 330)	(56 256)	(112)	3 089 869

2. TRANSFERS AND GRANTS ALLOCATION

Revenue from grant funding is set out in Division of Revenue Act (DORA) and the Provincial Gazette. The total transfers and grants allocation to the municipality is R 1.315 billion in the 2022/23 financial year and the allocation for 2023/24 and 2024/25 amount to R 1.405 billion and R 1.529 billion.

The infrastructure grant for the 2022/23 financial year is appropriated at R324.4 million. And the allocation for the two outer years is estimated at R 339.7 million and R 355.9 million respectively.

The total operating transfers and grants for the 2022/23 financial year amount to R 945.4 million, R1.04 billion and R 1.14 billion for the 2023/24 and 2024/25 financial years.

Table 4 below gives a breakdown of the various Grants and subsidies allocated to the municipality over the medium term period.

Table 4: Transfers and Grant Allocations

Description	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023	Budget Year +1 2023/2024	Budget Year +2 2024/2025
	R'000	R'000	R'000	R'000	R'000
Equitable Share	902 288	818 913	941 456	1 037 558	1 144 194
Financial Management Grant	2 600	2 800	2 900	2 900	2 900
Expanded Public Works Programme	1 150	1 175	1 094		
Library Grant	971				
Municipal Infrastructure Grant	279 801	298 785	324 408	339 702	355 973
Energy Efficiency and Demand Side Management Grant	0	3 500			
Integrated National Electrification	14200	15000	45500	25 000	26 123
Total Operating Grants & Subsidies	1 201 010	1 140 173	1 315 358	1 405 160	1 529 190

3. CAPITAL BUDGET

Section 18 and 19 of the MFMA were taken in to consideration regarding the funding of capital project. That spending on Capital Budget to be financed from grants and other external mechanisms would takes place after the funds have been received. Table 5 on below detailed the funding sources for Capital Budget over the medium term period.

Table 5: Detailed Capital Budget List

DESCRIPTION	WARDS	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25	Funding Source
KLIPGAT EXTENTION WATER SUPPLY	24,8,36,37	6 000 000	15 000 000	29 000 000	MIG
HEBRON/ KGABALATSANE/ ROCKVILLE/ITSOSENG/ WATER	10,15,16,41	10 000 000	35 000 000	25 000 000	MIG
KLIPGAT SANITATION (RETICULATION)	24,8,36,37	9 500 000	20 000 000	55 000 000	MIG
WARD 1 VIP TOILETS		16 000 000	43 000 000	70 000 000	
MOTHOTLUNG OUTFALL SEWER (RE- ROUTE)	20	32 000 000	20 000 000	0	MIG
HIGH MASS LIGHT (Solar energy) Phase 1	1,2,3,4,6,7,25,27,30,33,32,31,34,35,27,40	36 500 000	0	0	MIG
HIGH MASS LIGHT (Solar energy) Phase 2	10,14,15,16,17,18,19,26,28,29,41	0	25 000 000	0	MIG
HIGH MASS LIGHT (Solar energy) Phase 3	5,8,9,11,12,13,20,21,22,23,24,30,37,38,39	0	0	25 000 000	MIG
BAPONG CONNECTOR ROAD	28	7 550 000	0	0	MIG
UPGRADING OF MOTHOTLUNG ROMAN CHURCH SECTION INTERNAL ROAD	20	7 250 000	0	0	MIG
UPGRADING OF ITSOSENG INTERNAL ROADS: CEMETERY ROAD	16	7 550 000	0	0	MIG
UPGRADING OF KGABALATSANE INTERNAL ROAD: FREEDOM ROAD	10	14 853 934	0	0	MIG

Motlalekgomo Mmope: **Municipal Manager (Acting)**

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UPGRADING OF INTERNAL ROADS OF CLUSTER 5 (MAPANTSOLENG ROAD)	11	11 000 000	0	0	MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 4 (Madibeng Hills Ext of Taxi Road)	3,8,24,36,37	8 000 000	0	0	MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 6 (Jericho Taxi Road))	1,2	12 000 000	0	0	MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 6 (Legonyane taxi route)	1	0	12 000 000	0	MIG
LETHABONG INTERNAL TAXI ROUTE	5	10 860 000	0	0	MIG
MMAKAU WARD 17 POLONIA INTERNAL ROAD	17	12 330 000	0	0	MIG
REHABILITATION AND RESEALING OF TAXI ROUTE- LETLHABILE	9,11,12,38,	8 000 000	8 000 000	8 000 000	MIG
REHABILITATION AND RESEALING OF TAXI ROUTE- MOTHOTLUNG	20,21	8 000 000	8 000 000	8 000 000	MIG
REHABILITATION AND RESEALING OF TAXI ROUTE- OUKASIE	13,14,22	8 000 000	8 000 000	8 000 000	MIG
REHABILITATION AND RESEALING OF TAXI ROUTE- DAMONSVILLE	21	1 500 000	0	0	MIG
REHABILITATION AND RESEALING OF TAXI ROUTE- BRITS	23	3 500 000	0	0	MIG
MMAKAU LIBRARY - continuation	17,18,19	3 000 000	0	0	MIG
OUKASIE TAXI RANK - Continuation	13,14,39,22	1 500 000	0	0	MIG
MADIBENG SMME DEVELOPMENT HUB- BRITS- continuation	ALL WARDS	4 000 000	0	0	MIG
MADIBENG SPECIALISED VEHICLES FOR WASTE MANAGEMENT- phase 2	25,29	8 500 000	0	0	MIG
KLIPGAT FIRE STATION	3,8,24,36	15 000 000	0	0	MIG
UPGRADING OF VUKA INTERNAL ROADS IN OUKASIE	39	17 398 956	0	0	MIG
UPGRADING OF KL TO CHECKERS ROAD MABOLOKA	6	14 113 079	0	0	MIG
UPGRADING OF MABOLOKA TARRER ACCESS ROAD (BP TO CIRCLE)	4,5,6	0	15 000 000	0	MIG
MMAKAU WARD 18 CLINIC ROAD	18	0	8 180 000	0	MIG
MMAKAU WARD 19 ROAD (FROM CHIPPA TO MAUMONG STORE RING ROAD)	19	0	0	7 720 000	MIG
FORMALISATION OF HEBRON STREAM AND STORMWATER	15;16	1 800 000	32 000 000	0	MIG
UPGRADING OF MOTHOTLUNG PHASE 2 ROAD (Ext 2 TO THARI)	20,21	0	15 000 000	9 500 000	MIG
OUKASIE PHASE 5 ROAD	13,14,22	0	8 000 000	0	MIG
LEGONYANE INTERNAL ROAD	1	0	0	7 550 000	MIG
MASTERS SPORT GROUND ROAD UPGRADE	28	0	12 000 000	0	MIG
WONDERKOP LUTHREN ROAD UPGRADE	26	0	5 000 000	8 000 000	MIG
BLOCK B TLHOAFALO PRIMARY SCHOOL ROAD UPGRADE	9	0	5 000 000	8 000 000	MIG
REFENTSE ACCESS ROAD	30	0	1 200 000	7 000 000	MIG
DAMONSVILLE EXT. 2 INTERNAL STREET	21	0	0	7 000 000	MIG
BLOCK E CEMETERY ROAD	41	8 000 000	5 000 000	0	MIG
HEBRON OLD CEMETERY ROAD UPGRADE	15	0	9 000 000	9 000 000	MIG
REHABILITATION OF KLIPGAT CIRCLE ROAD	37	0	4 000 000	0	MIG
REHABILITATION OF MODDERSPRUIT TARRER ROAD.	31	0	4 000 000	0	MIG
DLTC UPGRADE	23	0	0	1 500 000	MIG
UPGRADING OF BRITS FIRE STATION	23	11 258 370	0	0	MIG
BRITS FRESH PRODUCE MARKET	23	0	1 500 000	12 000 000	MIG
MABOLOKA SPORTS FACILITY PHASE 2	5	0	1 800 000	20 000 000	MIG
UPGRADING OF LETLHABILE SPORTS FACILITY	9,11,12,38	0	5 000 000	10 000 000	MIG
UPGRADING OF MOTHOTLUNG SPORTS FACILITY	20;21	0	5 000 000	10 000 000	MIG
PMU OPERATION MANAGEMENT		9 443 661	9 022 000	10 703 000	MIG
LETLHABILE ELECTRICITY SUBSTATION	9,11,12,38	45 500 000	25 000 000	26 123 000	INEP
LETLHABILE BLOCK H ELECTRIFICATION	38	2 000 000	33 000 000	0	INEP
DAMONSVILLE UPGRADE OF ELECTRICITY SUPPLY LINE	21	3 000 000	0	0	Internal
MELODIE UPGRADE OF ELECTRICITY SUPPLY LINE	30	3 500 000	0	0	Internal
REHABILITATION AND RESEALING OF TAXI ROUTE- HARTEBEEPOORT	30	1 500 000	0	0	Internal
UPGRADING OF RIETFONTEIN WASTE WATER TREATMENT PLANT	30	15 000 000	0	0	WSIG
UPGRADING OF BRITS WASTE WATER TREATMENT PLANT	22,24,25	13 300 000	0	0	WSIG
UPGRADING OF LETLHABILE WASTE WATER TREATMENT PLANT	9,11,12,38	12 500 000	0	0	WSIG
REPLACEMENT OF ASBESTOS WATER RETICULATION	30	0	0	15 000 000	DBSA
AUGMENTATION OF WATER SUPPLY THROUGH EXPLORATION OF UNDER-GROUND WATER Phase 1	1, 2,3,4,5,6,18,24,34,35	15 000 000	0	0	Internal
AUGMENTATION OF WATER SUPPLY THROUGH EXPLORATION OF UNDER-GROUND WATER Phase2	10,41,17,19	0	15 000 000	0	Internal
TOTAL CAPITAL EXPENDITURE		435 708 000	412 702 000	397 096 000	

Copy of a full budget document, tariff schedule, policies and by-laws will be available at main municipal building reception and all satellites offices of the municipality

