



MADIBENG LOCAL MUNICIPALITY



PUBLICATION OF ADOPTED 2025/2026 – 2027/2028 FINAL ANNUAL BUDGET OF MADIBENG LOCAL MUNICIPALITY

The Final Annual 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 considered and approved in compliance with the National Treasury Circulars and was adopted in Council on 29 May 2025. Copies of the Final Annual Budget are available at all the Municipal Offices. Alternatively, the budget office can be contacted for assistance on (012) 493 7895/7596 or jamesmotaung@madibeng.gov.za / mosasekori@madibeng.gov.za

Council adopted amendments of all budget related policies, e.g., Budget & Virement Policy, Property Rates Policy & Bylaw, Tariff Setting Policy, 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:

TABLE 2: PROPOSED TARIFF INCREASE PERCENTAGE

Description	Approved Previous Year 2023/24	Approved Current Year 2024/25	MTREF			
			Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
Property rates	0%	4.9%	0%	4.6%	4.4%	
Electricity	5.3%	12.7%	10%	4.6%	4.4%	
Water	5.3%	4.9%	4.3%	4.6%	4.4%	
Sewerage	5.3%	4.9%	4.3%	4.6%	4.4%	
Refuse Removal	5.3%	4.9%	4.3%	4.6%	4.4%	
Surcharges	5.3%	4.9%	4.3%	4.6%	4.4%	
Other services	5.3%	4.9%	4.3%	4.6%	4.4%	

**It needs to be noted that the electricity tariff increase percentage is an indicative percentage, we have not received the guideline from NERSA yet. The municipality still has to apply for tariff increase at NERSA. Therefore, the electricity tariff increase may change depending on approval by NERSA. Due to high values of properties property rates has not increased except for government, vacant land and Mining which 4.3% applies.*

The total 2025/26 Revenue budget has increased by R 87.2 million or 3% when compared with the 2024/25 Original Budget and has decreased by R -72.5million or -2.5% compared with the 2024/25 Adjustment Budget. This is 11% above FRP target of R2.5

TABLE 3: SUMMARY OF OPERATING REVENUE BY REVENUE SOURCE

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework			
					R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Revenue												
Employee related costs	2	638 673	652 263	715 330	730 202	733 620	733 620	626 458	738 467	772 437	806 424	
Remuneration of councillors		32 005	34 256	35 339	38 861	38 861	38 861	30 579	39 691	41 517	43 344	
Bulk purchases - electricity	2	670 408	723 581	838 539	665 720	671 470	671 470	567 359	711 000	743 706	776 429	
Inventory consumed	8	26 099	34 868	58 835	204 931	204 931	204 931	69 588	158 834	197 328	202 261	
Debt impairment	3	6 992	25 054	1 048	209 800	209 800	209 800	-	429 728	380 651	238 440	
Depreciation and amortisation		337 457	316 128	325 669	317 937	317 937	317 937	-	317 075	331 660	346 253	
Interest		16 580	61 558	113 211	43 233	59 833	59 833	57 983	23 181	24 247	25 314	
Contracted services		330 460	314 922	427 300	288 183	442 577	442 577	452 807	262 981	286 962	300 680	
Transfers and subsidies		6 530	6 674	7 858	7 343	7 343	7 343	14	7 700	8 054	8 409	
Irrecoverable debts written off		-	226 121	291 010	-	-	-	-	-	-	-	
Operational costs		99 217	284 540	350 912	211 432	253 651	253 651	254 850	179 996	188 163	196 427	
Losses on disposal of Assets		581	-	595	-	-	-	-	-	-	-	
Other Losses		152	2 159	(28)	-	-	-	373	-	-	-	
Total Expenditure		2 165 155	2 682 124	3 165 619	2 717 642	2 940 022	2 940 022	2 060 010	2 868 653	2 974 724	2 943 980	

TABLE 3: TRANSFERS AND GRANT ALLOCATIONS

Description	Budget Year 2023/2024	Budget Year 2024/2025	Budget Year 2025/2026	Budget Year +1 2026/2027	Budget Year +2 2027/2028
	R'000	R'000	R'000	R'000	R'000
Equitable Share	1 052 208	1 123 765	1 183 275	1 237 523	1 293 548
Financial Management Grant	2 900	2 900	2 900	2 900	3 000
Expanded Public Works Programme	831	1 293	1 836	0	0
Library Grant	1 283	1 400	0	0	0
LG SETA Grant	1 142	0	0	0	0
Municipal Infrastructure Grant	316 941	329 018	353 671	375 000	393 167
Integrated National Electrification	7 500	25 184	28 235	19 000	19 859
Water Service Infrastructure Grant	8 509	0	0	0	0
Total Grants & Subsidies	1 391 314	1 483 560	1 569 917	1 634 423	1 709 574

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 allocated to the municipality is R 1.569

“Madibeng, the Prosperous Platinum and Green Tourism City”

billion in the 2025/26 financial year and the allocation for 2026/27 and 2027/28 amount to R 1.634 billion and R 1.709billion.

The total operating transfers and grants for the 2025/26 financial year amount to R 1.188 billion, R1.240 billion and R 1.296 billion for the 2026/27 and 2027/28 financial years.

The infrastructure grant for the 2025/26 financial year is appropriated at R381.9 million. And the allocation for the two outer years is estimated at R 394 million and R 413.8 million respectively.

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 IN KIND

Description	Budget Year 2023/2024	Budget Year 2024/2025	Budget Year 2025/2026	Budget Year +1 2026/2027	Budget Year +2 2027/2028
	R'000	R'000	R'000	R'000	R'000
Equitable Share	1 052 208	1 123 765	1 183 275	1 237 523	1 293 548
Financial Management Grant	2 900	2 900	2 900	2 900	3 000
Expanded Public Works Programme	831	1 293	1 836	0	0
Library Grant	1 283	1 400	0	0	0
LG SETA Grant	1 142	0	0	0	0
Municipal Infrastructure Grant	316 941	329 018	353 671	375 000	393 167
Integrated National Electrification	7 500	25 184	28 235	19 000	19 859
Water Service Infrastructure Grant	8 509	0	0	0	0
Total Grants & Subsidies	1 391 314	1 483 560	1 569 917	1 634 423	1 709 574

3. Capital Budget

Section 18 and 19 of the MFMA were taken into 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.

PROPOSED FINAL CAPITAL BUDGET 2025/26 - 2027/28 FINANCIAL YEAR

DESCRIPTION	WARDS	BUDGET 2025/26	BUDGET 2026/27	BUDGET 2027/28	FUNDS
MIG					
KLIPGAT EXTENTION WATER SUPPLY	8	22 000 000	0	0	MIG
HEBRON/ KGABALATSANE/ ROCKVIL/ITSOSENG	10	43 000 000	60 000 000	61 500 000	MIG
MOTHOTLUNG BULK WATER FIBRE AND AC PIPE LINE REPLACEMENT	20		3 000 000	35 000 000	MIG
KLIPGAT SANITATION PROJECT	24	35 000 000	30 000 000	30 750 000	MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – BOKAMOSO)	27		8 000 000	6 000 000	MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – BOKFONTEIN)	25		8 000 000	6 000 000	
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – WARD 1) PHASE 2	1		8 000 000	6 000 000	
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – WARD 14)	14		8 000 000	6 000 000	
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 1B	1,2,4,6,25,27,30	10,000,000	0	0	MIG
,33,32,34,35,40		42 000 000		MIG	MIG
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 2B	3,7,10,14,15,16	11,000,000	0	0	MIG
,17,18,19,26,28,29,41		45 000 000		MIG	MIG
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 3B	5,8,9,11,12,13,20,21,	15,000,000	0	0	MIG
22,23,24,36,31,37,38			45 000 000	MIG	MIG
UPGRADING OF FAFUNG INTERNAL BUS ROUTE	1	0	15 000 000	15 375 000	MIG
UPGRADING OF MOTHOTLUNG PHASE 2 ROAD (EXT 2 TO THARI)	20,21	18 000 000			MIG
UPGRADING OF MOTHOTLUNG INTERNAL ROADS	20	2 000 000	0	0	MIG
ROOIWAL CEMETERY ROAD UPGRADE	1	18 000 000	0	0	MIG
UPGRADING OF MONTOEDI TO IPOPOPENG ROAD	35	3 000 000	0	0	MIG
FANYANE TO MANOTSHE MODUANE ROAD UPGRADE	15	3 000 000	10 000 000	0	MIG
REHABILITATION OF MODDERSPRUIT TARRER ROAD.	31	1 000 000	0	0	MIG
FORMALISATION OF HEBRON STREAM AND STORMWATER	15;16	5 000 000	15 000 000	0	MIG
OUKASIE PHASE 5 ROAD	13	0	12 000 000	0	MIG
DAMONSVILLE EXT.2 INTERNAL ROAD	21	970 000	17 000 000	0	MIG
UPGRADING OF KLIPGAT OLD CEMETERY ROAD	36	5 000 000	5 000 000		MIG
UPGRADING OF INTERNAL ROAD (LOT PHALATSE)	41	3 000 000	12 000 000	0	MIG
UPGRADING OF INTERNAL ROAD (LETLHABILE BLOCK B EXT 2)	11	15 000 000	1 160 000	0	MIG
UPGRADING OF INTERNAL ROAD (MOILETSWANE)	34	17 000 000	3 000 000		MIG
UPGRADING OF INTERNAL ROAD ITSOSSENG ROMA ROAD	16	1 001 000	10 000 000	5 000 000	MIG
UPGRADING OF DITHABANE CEMETERY - BOKAMOSO HALL	27	5 000 000	15 000 000	0	MIG
UPGRADING OF SHUMBERG INTERNAL ROAD	29	7 000 000	7 000 000		MIG

UPGRADING OF NTOLO ROAD	3	15 000 000	10 000 000	0	MIG
UPGRADING OF INTERNAL ROAD KLIPGAT BAN-DA BRIDGE	37	20 000 000	5 000 000	0	
UPGRADING OF NTSOPILONG CEMETERY ROAD	14	7 000 000	6 506 000		MIG
UPGRADING OF INTERNAL ROAD MABOLOKA-DORENPORT CEMETERY	4	20 000 000	5 000 000	0	MIG
KLIPGAT BANDA BRIDGE ROAD UPGRADE	37		8 000 000	0	MIG
UPGRADING OF DISOFENG ROAD	38			12 000 000	MIG
UPGRADING OF PHASA MALOKA BUS ROAD	8			25 000 000	MIG
UPGRADING OF MAPETLA- NEW TOWN INTER-NAL ROAD	17			19 000 000	MIG
UPGRADING OF NEWTOWN -MOTLHAKE ROAD	19			12 000 000	MIG
UPGRADING OF SILVER HOUSE INTERNAL ROAD	18			14 000 000	MIG
UPGRADING OF MAJAKANENG INTERNAL ROAD: SOSHANGUVE	7			18 000 000	MIG
UPGRADING OF REGOROGILE SECTION ROAD: TEBOGO PRIMARY TO PHASE 1)	40			8 000 000	MIG
LETLHABILE TAXI RANK	11		15 000 000		
SPECIALISED VEHICLE FOR WASTE – (SKIP BINS)	23		8 500 000	8 712 500	MIG
BOKFONTEIN CEMETERY	25	1 200 000	21 000 000		MIG
MABOLOKA SPORTS FACILITY	5	17 000 000			MIG
LETLHABILE SPORT FACILITY UPGRADE	12	2 500 000	10 000 000	10 250 000	MIG
MOTHOTLUNG SPORT FACILITY UPGRADE	20	12 000 000	1 000 000		MIG
BRITS FRESH PRODUCE MARKET	23	0	25 494 000	4 606 350	MIG
BRITS LANDFILL SITE (DEVELOPMENT OF NEW CELL AND LAGOON)	23	5 000 000	25 000 000	0	MIG
DLTC UPGRADE	23	0	5 000 000	10 529 500	MIG
TOTAL MIG		345 671 000	367 000 000	385 167 000	
INEP					
LETLHABILE BLOCK H ELECTRIFICATION 1193 + 1480 H/H		16 412 000	6 000 000	6 000 000	INEP
LETLHABILE BLOCK A SUBSTATION - BULK		6 828 000	5 000 000	5 000 000	INEP
LETLHABILE BLOCK C SUBSTATION - BULK		8 500 000	6 000 000	6 000 000	INEP
TOTAL INEP		28 235 000	19 000 000	19 859 000	
TOTAL CAPITAL EXPENDITURE		373 906 000	386 000 000	405 026 000	