



MADIBENG LOCAL MUNICIPALITY



ADOPTED 2026/2027 – 2028/2029 FINAL ANNUAL BUDGET

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 04 June 2026. 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 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 budget of Madibeng Local municipality for the 2026/27 financial year totals R 2.7 billion, comprising of R 2.3 billion Operating Expenditure and R 376.6 million for Capital expenditure. The total Revenue budget has increased by R388.7 million or 12% when compared with the 2025/26 Original Budget and has increased by R 61.9 million or 2% compared with the 2025/26 Adjustment Budget. The total Expenditure budget has decreased by R 349.8 million or -15% when compared with the Original budget and has decreased by R 1 billion or -46% when compared with the adjusted budget. The municipality's surplus has increased from R 154.2 million in 2025/26 original budget to R892.7 million in the 2026/27 and for the two outer years R 976.5 million and R 1 billion. The municipality's capital expenditure has increased with R 2.7 million or 1% when compared to 2025/26 original budget and has decreased by R -83.8 Million or -22% when compared with to 2026/27 Adjustment Budget

TABLE 1: CONSOLIDATED OVERVIEW OF THE 2026/2027 - 2028/2029 BUDGET

Description	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue	2 872 977	3 199 718	3 199 718	2 723 908	3 261 692	3 416 216	3 520 951
Expenditure	2 718 744	3 464 991	3 464 991	2 580 405	2 368 939	2 439 676	2 502 611
Surplus/(Deficit)	154 233	(265 273)	(265 273)	143 503	892 753	976 540	1 018 340
Capital Expenditure	373 906	460 489	460 489	224 296	376 631	408 734	426 551
TOTAL BUDGET	3 092 650	3 925 480	3 925 480	2 804 701	2 745 570	2 848 410	2 929 162
TOTAL BUDGET	3,063,844	3,364,364	540,937	540,937	3,905,301	3,242,559	3,360,724

2. REVENUE

Tariffs

All tariffs have been increased by 3.4%, in line with the proposed inflation-related increase contained in Budget Circular 134. Electricity tariffs are proposed to increase as follows, subject to approval by National Energy Regulator of South Africa (NERSA):

- Household consumers: 9.01%
- Businesses/Commercial: 8.6%
- Industrial: 7.9%
- Agriculture: 8.5%
- Municipal: 9.01%

TABLE 2: PROPOSED TARRF INCREASE PERCENTAGE

Description	Original Budget	Adjusted Budget	MTREF		
			Budget Year +1 2026/27	Budget Year +2 2027/28	Budget Year +2 2028/29
Property rates	4.9%	4.3%	3.4%	3.3%	3.2%
Electricity	12.7%	10%	9.01%	3.3%	3.2%
Water	4.9%	4.3%	3.4%	3.3%	3.2%
Sewerage	4.9%	4.3%	3.4%	3.3%	3.2%
Refuse Removal	4.9%	4.3%	3.4%	3.3%	3.2%
Surcharges	4.9%	4.3%	3.4%	3.3%	3.2%
Other services	4.9%	4.3%	3.4%	3.3%	3.2%

*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 increases at NERSA. Therefore, the electricity tariff increase may change depending on approval by NERSA

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 1.615 billion in the 2026/27 financial year and the allocation for 2027/28 and 2028/29 amount to R 1.696 billion and R 1.751 billion.

The total operating transfers and grants for the 2026/27 financial year amount to R 1.239 billion, R1.287 billion and R 1.324 billion for the 2027/28 and 2028/29 financial years.

The infrastructure grant for the 2026/27 financial year is appropriated at R376.6 million. And the allocation for the two outer years is estimated at R 408.7 million and R 426.5 million respectively.

Table 3 below gives a breakdown of the various Grants and subsidies allocated to the municipality over the medium-term period.

Table 3: Transfers and Grant Allocations

Description	Budget Year 2024/2025	Budget Year 2025/2026	Budget Year +1 2026/2027	Budget Year +2 2027/2028	Budget Year +2 2028/2029
	R'000	R'000	R'000	R'000	R'000
Equitable Share	1 123 765	1 183 275	1 232 260	1 284 945	1 321 575
Financial Management Grant	2 900	2 900	2 900	3 000	3 000
Expanded Public Works Programme	1 293	1 836	4 155	0	0
Library Grant	1 400	0	0	0	0
Municipal Infrastructure Grant	329 018	353 671	348 220	388 875	401 794
Integrated National Electrification	25 184	28 235	28 411	19 859	24 757
Total Grants & Subsidies	1 483 560	1 569 917	1 615 946	1 696 679	1 751 126

Operating Revenue by Revenue Source

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome							
Revenue											
Exchange Revenue											
Service charges - Electricity	2	600 942	676 072	712 305	758 091	841 500	841 500	618 139	888 566	917 889	947 261
Service charges - Water	2	166 205	168 436	187 000	197 266	194 892	194 892	149 760	192 919	199 285	205 662
Service charges - Waste Water Management	2	51 852	50 374	61 276	63 864	54 082	54 082	46 385	63 543	65 640	67 740
Service charges - Waste Management	2	60 288	64 709	67 441	71 045	68 245	68 245	58 855	75 566	80 125	82 689
Sale of Goods and Rendering of Services	2	5 265	4 211	5 200	5 015	8 956	8 956	5 999	8 473	8 753	9 033
Agency services	2	17 664	17 283	17 551	17 000	17 000	17 000	13 105	17 600	18 181	18 763
Interest earned from Receivables	2	56 240	69 953	158 577	90 265	184 809	184 809	148 976	153 444	177 102	182 769
Interest earned from Current and Non-Current Assets	2	16 459	16 133	14 323	15 896	15 896	15 896	12 949	18 077	18 673	19 271
Rent on Land	2	8	-	33	30	45	45	34	35	36	37
Rental from Fixed Assets	2	1 923	2 148	4 209	3 150	5 629	5 629	3 979	5 163	5 333	5 504
Licence and permits	2	6 724	7 311	8 420	6 071	10 971	10 971	8 195	11 361	11 736	12 112
Operational Revenue	2	349	108 437	6 322	345	436	436	287	368	380	392
Non-Exchange Revenue											
Property rates	2	413 604	361 301	453 313	395 379	485 926	485 926	378 915	483 725	517 249	533 801
Fines, penalties and forfeits	2	6 366	3 296	3 757	2 831	2 831	2 831	2 516	3 896	4 024	4 153
Transfer and subsidies - Operational	2	955 504	1 066 920	1 139 237	1 196 011	1 193 497	1 193 497	1 183 480	1 239 315	1 287 945	1 324 575
Interest	2	32 169	46 070	80 760	50 719	104 887	104 887	82 928	97 028	101 164	104 401
Operational Revenue	2	-	-	-	-	2 543	2 543	2 104	2 614	2 701	2 787
Gains on disposal of Fixed and Intangible Assets	2	(830)	37 873	2 729	-	7 471	7 471	3 736	-	-	-
Other Gains	2	167	781	(79 253)	-	-	-	3 517	-	-	-
Discontinued Operations		-	-	4 204	0	101	101	51	-	-	-
Total Revenue (excluding capital transfers and contributions)		2 390 897	2 701 308	2 847 404	2 872 977	3 199 718	3 199 718	2 723 908	3 261 692	3 416 216	3 520 951

Operating Expenditure by type

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	Audited Outcome	Audited Outcome	Audited Outcome							
Expenditure										
Employee related costs	674 179	682 498	733 645	738 467	761 473	761 473	661 579	752 339	779 232	804 168
Remuneration of councillors	34 256	35 339	36 520	39 691	42 014	42 014	31 036	39 964	40 640	41 316
Bulk purchases - electricity	723 581	838 539	943 295	711 000	711 000	711 000	433 749	706 000	729 298	752 636
Inventory consumed	195 778	308 359	386 790	108 770	180 964	180 964	130 838	97 943	101 175	104 412
Debt impairment	25 054	3 990	2 067	331 383	331 383	331 383	276 153	274 614	274 814	269 098
Depreciation, amortisation and impairment	316 128	304 046	245 628	317 075	317 075	317 075	269 096	207 074	213 909	220 753
Interest, Dividends and Rent on Land	61 558	41 634	163 874	23 181	47 973	47 973	29 721	12 000	12 396	12 793
Contracted services	314 922	373 084	537 588	262 981	661 507	661 507	450 013	151 368	156 363	161 366
Transfers and subsidies	6 674	2 372	7 415	7 700	7 700	7 700	7 659	7 800	8 057	8 315
Irrecoverable debts written off	-	-	3 080	-	7 808	7 808	7 808	-	-	-
Operational costs	288 783	347 211	411 221	178 496	396 094	396 094	279 239	119 838	123 792	127 754
Disposal of Fixed and Intangible Assets	-	13 187	1 786	-	-	-	-	-	-	-
Other Losses	2 159	(28)	808	-	-	-	3 514	-	-	-
Total Expenditure	2 643 073	2 950 233	3 473 718	2 718 744	3 464 991	3 464 991	2 580 405	2 368 939	2 439 676	2 502 611
Surplus/(Deficit)	(252 175)	(248 925)	(626 314)	154 233	(265 273)	(265 273)	143 503	892 753	976 540	1 018 340

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 8 below detailed the funding sources for Capital Budget over the medium term period.

Table 8 Capital Budget per Funding Sources

Description	Budget Year 2024/2025	Budget Year 2025/2026	Budget Year +1 2026/2027	Budget Year +2 2027/2028	Budget Year +2 2028/2029
	R'000	R'000	R'000	R'000	R'000
Municipal Infrastructure Grant	329 018	345 965	348 220	388 875	401 794
Integrated National Electrification Programme	25 184	20 000	28 411	19 859	24 757
Total Grants & Subsidies	354 202	365 965	376 631	408 734	426 551

The Capital Budget for the 2026/2027 financial year has been projected at R 376.6 million. The two outer financial years the Capital Budget is projected at R408.7 million and R 426.5 million.

The table below is the detailed 2026/27 MTREF capital budget per capital project and per ward

PROPOSED FINAL CAPITAL BUDGET 2026/27 - 2028/29 FINANCIAL YEAR

DESCRIPTION	WARDS	BUDGET 2026/27	BUDGET 2027/28	BUDGET 2028/29	FUNDS
MIG					
KLIPGAT EXTENTION WATER SUPPLY	8	22 000 000	0		MIG
HEBRON/ KGABALATSANE/ ROCKVIL/ITSOSENG	10	35 000 000			MIG
UGRADING OF BULK WATER PIPE LINE				146 794 000	MIG
KLIPGAT SANITATION PROJECT	24	31 720 000	30 750 000	50 000 000	MIG
MOTHOTLUNG OUTFALL SEWER		10 000 000			MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – BOKAMO-SO)	27	0	8 000 000	6 000 000	MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – BOKFON-TEIN)	25	0	8 000 000	6 000 000	MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – WARD 1) PHASE 2	1	0	8 000 000	6 000 000	MIG
VENTILATION IMPROVED PIT TOILETS (VIP TOILETS – WARD 14)	14	0	8 000 000	6 000 000	MIG
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 1B	1,2,4,6,25,27,30,33,32,34,35,40			45 000 000	MIG
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 2B	3,7,10,14,15,16,17,18,19,26,28,29,41	45 000 000			MIG
HIGHMAST LIGHT (SOLAR ENERGISED) PHASE 3B	5,8,9,11,12,13,20,21,22,23,24,36,31,37,38		45 000 000		MIG
ROADS PROJECTS					
UPGRADING OF FAFUNG INTERNAL BUS ROUTE	1	1 500 000			MIG
UPGRADING OF MOTHOTLUNG PHASE 2 ROAD (EXT 2 TO THARI)	20,21	15 000 000			MIG
UPGRADING OF MOTHOTLUNG INTERNAL ROADS	20	0	0		MIG
ROOIWAL CEMETERY ROAD UPGRADE	1	13 000 000	0		MIG
UPGRADING OF MONTOEDI TO IPOPOPENG ROAD	35		0		MIG
FANYANE TO MANOTSHE MODUANE ROAD UPGRADE	15		0		MIG
REHABILITATION OF MODDERSPRUIT TARRED ROAD.	31	15 000 000	0		MIG
FORMALISATION OF HEBRON STREAM AND STORMWATER	15;16	15 000 000	30 000 000	9 000 000	MIG
OUKASIE PHASE 5 ROAD	22	8 000 000	7 500 000		MIG
DAMONSVILLE EXT.2 INTERNAL ROAD	21		8 000 000		MIG
UPGRADING OF KLIPGAT OLD CEMETERY ROAD	36	9 300 000	0		MIG
UPGRADING OF INTERNAL ROAD (LOT PHALATSE)	41	8 000 000	0		MIG
UPGRADING OF INTERNAL ROAD (LETLHABILE BLOCK B EXT 2)	11	8 000 000	0		MIG
UPGRADING OF INTERNAL ROAD (MOILETSWANE)	34	8 000 000	0		MIG
UPGRADING OF INTERNAL ROAD ITSOSENG ROMA ROAD	16	9 000 000	0		MIG
UPGRADING OF DITHABANE CEMETERY - BOKAMOSO HALL	27	2 200 000	0		MIG
UPGRADING OF SHUMBERG INTERNAL ROAD	29	10 000 000	0		MIG
UPGRADING OF NTOLO ROAD	3	10 000 000	0		MIG
UPGRADING OF INTERNAL ROAD KLIPGAT BANDA BRIDGE	37	8 000 000	0		MIG
UPGRADING OF NTSOPILONG CEMETERY ROAD	14	9 000 000	0		MIG
UPGRADING OF INTERNAL ROAD MABOLOKA- DORENPORT CEMETERY	4	10 000 000	19 500 000		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 INTERNAL 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
UPGRADING OF KOMANE ROAD	5			11 000 000	MIG
UPGRADING OF SGODIPHOLA	7			11 000 000	MIG
UPGRADING OF SANAMARENA TO ZCC ROAD - BLOCK B	9			11 000 000	MIG
UPGRADING OF MERITING AND CLINIC ROAD	10			11 000 000	MIG
UPGRADING OF SARA JEFF CEMETERY ROAD AT LEOKENG	27			11 000 000	MIG
UPGRADING OF MADINYANE MAIN ENTRANCE ROAD	34			11 000 000	MIG
UPGRADING OF KHAYALETHU ROAD	40			11 000 000	MIG
UPGRADING OF INTERNAL ROAD BAPONG	25			11 000 000	MIG
LETLHABILE TAXI RANK	11		15 000 000		MIG
SPECIALISED VEHICLE FOR WASTE – (SKIP BINS)	23		8 712 500		MIG
BOKFONTEIN CEMETERY	25				MIG
MABOLOKA SPORTS FACILITY	5	16 500 000			MIG
LETLHABILE SPORT FACILITY UPGRADE	12	15 000 000	15 000 000		MIG
MOTHOTLUNG SPORT FACILITY UPGRADE	20		17 000 000		MIG
BRITS FRESH PRODUCE MARKET	23	3 000 000	11 000 000	11 000 000	MIG
BRITS LANDFILL SITE (DEVELOPMENT OF NEW CELL AND LAGOON)	23	3 000 000	12 000 000	20 000 000	MIG
DLTC UPGRADE	23		15 412 500		MIG
PMU ADMINISTRATION		8 000 000	8 000 000	8 000 000	
TOTAL MIG		348 220 000	382 875 000	401 794 000	
INEP					
LETLHABILE BLOCK H PHASE 3 ELECTRIFICATION 1320 HH	664 households	10 956 000	19 859 000	24 757 000	INEP
LETLHABILE C SUBSTATION & (2,5KM BLOCK I MV LINE)	Infrastructure	4 000 000			INEP
DAMONSVILLE EXTENSION 5- 2099 H/H	250 households	5 955 000			
PENDORING SUBSTATION - (5KM DOMONSVILLE TO ELANDSVIEW MV LINE)	Infrastructure	2 500 000			
LETLHABILE A SUBSTATION - (2KM BLOCK H MV LINE)	Infrastructure	1 000 000			
EEDSM	implementation of energy efficiency and demand side management measures and reduction of electricity demand in municipal buildings and infrastructure	4 000 000			INEP
TOTAL INEP		28 411 000	19 859 000	24 757 000	
TOTAL CAPITAL EXPENDITURE		376 631 000	402 734 000	426 551 000	

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

Quiet Kgatla: **Municipality Manager**
Date of Issue: 09 June 2026

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