



GAUTENG PROVINCE

CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

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Ms M Mosupyoe, MPL
Speaker: Gauteng Provincial Legislature
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Dear Madam Speaker

RESPONSE TO LEGISLATURE QUESTION 5.COGTA137 TABLED BY MEMBER S MSIMANG OF THE DEMOCRATIC ALLIANCE (ACTION SA)

5. COGTA0137. In February, the Johannesburg High Court found that the Lesedi local municipality failed to comply with mandatory public notice requirements under the Municipal Property Rates Act before implementing the new roll thereby declaring the municipality's 2024-29 general valuation roll invalid. With regards to the budget that was approved by council despite ongoing legal disputes, could the MEC indicate:

- (i) **did the municipality formally notify the department of the court ruling and its potential impact on municipal revenue projections;**

Response:

Yes.

- (ii) **did the department provide any advice, guidance, recommendations or directives to Lesedi Municipality regarding the adoption of its 2026/27 budget following the court ruling;**

Response:

Matters pertaining to the preparation and adoption of municipal budgets fall within the purview of the MEC for Finance in terms of the Municipal Finance Management Act (MFMA).

- (iii) **was the MEC satisfied that the budget complied with the requirements of sections 18 and 19 of the Municipal Finance Management Act relating to a funded and credible budget;**

Response:

See reply to (ii) above.

- (iv) **did the MEC consider exercising any powers in terms of section 139 of the Constitution or any other legislative provisions in response to the municipality adopting a budget based on a valuation roll that had been declared unlawful by the court;**

Response:

The MEC did not consider exercising powers in terms of section 139 of the Constitution or any other legislative provisions. This is so because the Municipality has lodged an application for leave to appeal the High Court Judgment. The said application was heard recently and at the time of penning this response, judgment remains reserved. It would therefore be not ideal or proper to consider any intervention whilst the Court is still seized with the application for leave to appeal by the Municipality.

- (v) **if no intervention was considered, why not;**

Response:

See reply to (iv) above.

- (vi) **has the department obtained a legal opinion on whether the adoption of the budget was lawful in light of the court judgment;**

Response:

See reply to (ii) above.

- (vii) **does the MEC believe that the adoption of a budget based on revenue projections linked to a valuation roll declared unlawful poses a governance or compliance risk;**

Response:

As advised in response to question (iv) above, the final determination on the lawfulness or otherwise on the adoption of the budget in question has not been settled yet as the Court is still seized with the application for leave to appeal by the Municipality.

(viii) **if not, why not;**

Response:

Kindly refer to the responses under (iv) and (vii)

(ix) **what steps has Lesedi Municipality taken to comply with the High Court judgment and rectify the defects identified by the court; and**

Response:

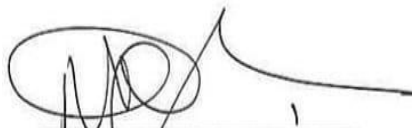
As per correspondence dated 05 March 2026, the Municipality advised the department of Council's decision to pursue an application for leave to appeal the judgment.

(x) **has the MEC received regular progress reports from the municipality regarding the implementation of the court order and, if so, what progress has been made?**

Response:

Kindly refer to the response under (ix)

Yours sincerely,



MR. JACOB MAMABOLO, MPL

MEMBER OF THE EXECUTIVE COUNCIL FOR COOPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS AND INFRASTRUCTURE DEVELOPMENT

DATE: 20/07/2026