

**NORTH WEST  
NOORDWES**

***EXTRAORDINARY • BUITENGEWOON***

**PROVINCIAL GAZETTE  
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## PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS

## PROVINCIAL NOTICE 101 OF 2021

**RESOLUTION ON LEVYING PROPERTY RATES IN TERMS OF SECTION 14 OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, 2004 (ACT NO 6 OF 2004)****NALEDI LOCAL MUNICIPALITY****RESOLUTION LEVYING PROPERTY RATES FOR THE FINANCIAL YEAR 1 JULY 2021 TO 30 JUNE 2022**

Notice is hereby given in terms of section 14(1) and (2) of the Local Government Municipal Property Rates Act, 2004; that at its meeting of 30 June 2020, the Council resolved by way of Council Resolution Number 216/2021, to levy the rates on property reflected in the schedule below with effect from 1 July 2021.

<b>Category of property</b>	<b>Cent amount in the Rand rate determined for the relevant property category</b>
Residential property	0.00829
Business and commercial property	0.01657
Industrial property	0.01657
Agricultural property	0.00207
Agricultural : Businesses	0.00415
Government	0.03307

Full details of the Council Resolution and rebates, reductions and exclusions, specific to each category of owners of properties or owners of a specific category of properties as determined through criteria in the Municipality's Rates Policy, are available for inspection at the Municipality's offices.

**SN MONGALE**  
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28 June 2021

To whom it may concern

***EXTRACT OF COUNCIL RESOLUTION NUMBER 216/2021***

During a Special Council meeting held on 17 June 2021, Council resolved as follows:-

**COUNCIL MATTERS: FINANCE: BUDGET FOR 2021/2022 AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)****RESOLVED**

1. That the Final Operating and Capital Budget for the MTREF 2021/22 to 2023/24 is hereby tabled by the Mayor to Council in terms of section 24(2) of the Municipal Finance Management Act, 56 of 2003.
2. That the annual Operating and Capital Budget for the MTREF 2021/22 to 2023/24 to be advertised in terms of Municipal Budget and Reporting Regulation reg18(1) and (2) and section 21A of the municipal systems act.
3. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the Naledi Local Municipality for the financial year 2021/22; and indicative allocations for the two projected outer years 2022/23 and 2023/24; and the multi-year and single year capital appropriations are approved as set-out in the following tables:-
  - 3.1. Budgeted Financial Performance (revenue and expenditure by standard classification);
  - 3.2. Budgeted Financial Performance (revenue and expenditure by municipal vote);
  - 3.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
  - 3.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.

4. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set-out in the following tables:-

- 4.1 Budgeted Financial Position;
- 4.2 Budgeted Cash Flows;
- 4.3 Cash backed reserves and accumulated surplus reconciliation;
- 4.4 Asset management; and
- 4.5 Basic service delivery measurement.

5. That in terms of section 24(2)(c)(i) and (ii) of the Municipal Finance Management Act, 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste services, sanitation services and property rates as set out in will used to prepare the estimates of revenue by source, to be approved with effect from 01 July 2021.

6. That 2021 / 2022 and MTREF tariffs be increased as follows:-

	2021/22	2022/23	2023/24
7.1 Rates	3.9%	4.2%	4.4%
7.2 Rates Government	0%	0%	0%
7.3 Water	3.9%	4.2%	4.4%
7.4 Electricity	14.52%	8.9%	8.9%
7.5 Refuse Removal	3.9%	4.2%	4.4%
7.6 Sewerage	3.9%	4.2%	4.4%
7.7 Other Services	3.9%	4.2%	4.4%

7. That the Municipality increased the rates for state owned properties by 0% whilst for the other property categories the increase was 3.9% in 2021/2022 financial year.
8. That given our cash flow challenges for the municipality, in order to comply with the recommendation of the Department of Cooperative Governance of gradually lowering the rates for state owned property, the municipality for the budget year of 2021/22 keep the tariff increase at 0.00% as lowering the rates will have detrimental effect on our cash flow.
9. That in terms of section 5 of the Municipal Property Rates Act, 6 of 2004, the rates policy (or the amendments to the rates policy) is approved.
10. That provision has been made for 6,5% increase in the salaries and wages of employees. Bearing in mind the provisions issued on National Treasury circular 108 and the current salary negotiations that are still underway.

- 10.1. That the revised salary budget to be tabled within 60 days after the negotiations are finalised with the agreed percentage increase arising from the bargaining council agreement.
11. That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium term revenue and expenditure framework as set out in Supporting Table SA7 are approved.
12. That in terms of section 24(2)(c)(v) of the Municipal Finance Management Act, 56 of 2003, the budget-related policies, including any amendments as set out in Budget Chapter 4 are approved for the budget year 2020/21.
13. That Gross Monthly Income Amount approved by Council in terms of section 9.1.3 of the Approved Indigent Policy is R3, 720.
14. That the budget for repairs and maintenance allocation be reviewed during the budget adjustment.
15. That Council approves the reviewed Financial Plan to reduce budget shortfall of which the major problem is high salary bill which takes R205 million of the total operating expenditure budget which makes it difficult for the municipality to funds sufficiently other important operation expenditure like repairs and maintenance.
16. That council approves the suspension of the bursary policy in 2021/22 and MTREF due to financial status of the municipality and only existing bursary will be covered according to the approved programme.
17. That the council takes legal route to deal with the district matter for water and sanitation functions and powers.
18. That Council noted that in terms of Acknowledgement of Debt and Repayment Plan Agreement signed between the municipality and Eskom is based on the current cash flow forecast the repayment arrangement is unrealistic.
19. That Council acknowledged the 2021/22 Medium Term Revenue Expenditure Framework has a deficit.
20. That the municipality, with the assistance of Provincial Treasury, will identify and implement appropriate measures and strategies to address root causes of the deficit, and to further submit and explain these measures to Council.
21. That the Council approves the Policies on Retention and Cost containment. That MFMA circular 82 on cost containment as adopted by council will be submitted implemented.
22. That the municipality implements the revenue enhancement plan and allocate the identified savings towards addressing the deficit and report to Council and Provincial Treasury on a monthly basis.



23. That council the notes process of inviting comments and inputs from community, stakeholder and the mayor to has responded to them on the budget and IDP document.
24. That council takes note of the provision state on section 24(2) An annual budget - (a) must be approved before the start of the budget year.
25. That council approves the strategy for Unauthorized, Irregular Fruitless and Wasteful expenditure.
26. That council notes the on-going Eskom payment negotiations and the final outcome will be tabled before council for deliberation.

Regards



**S N MONGALE**  
**ACTING MUNICIPAL MANAGER**



## **NALEDI LOCAL MUNICIPALITY**

### **FINAL MUNICIPAL PROPERTY RATES BY-LAW**

Naledi Local Municipality hereby, in terms of section 6 of the Local Government Municipal Property Rates Act, 2004, has by way of Resolution No 216/2021 adopted the Municipality's Property Rates By-Law set out hereunder:

Policy effective date: [01 July 2021]

Approved date: [30 June 2021]



## PREAMBLE

WHEREAS section 229(1) of the Constitution requires a Municipality to impose rates on property and surcharges on fees for the services provided by or on behalf of the Municipality;

AND WHEREAS section 13 of the Municipal Systems Act read with section 162 of the Constitution require a Municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant Province;

AND WHEREAS section 6 of the Local Government Municipal Property Rates Act, 2004 requires a Municipality to adopt by-laws to give effect to the implementation of its Property Rates Policy, the by-laws may differentiate between the different categories of properties and different categories of owners of properties liable for the payment of rates;

NOW THEREFORE BE IT ENACTED by the Council of Naledi Local Municipality as follows:

### 1. DEFINITIONS

In the by-law, any word or expression to which a meaning has been assigned in the Local Government Municipal Property Rates Act, 2004 (Act No 6 of 2004), shall bear the same meaning unless the context indicates otherwise.

**“Municipality”** means Naledi Local Municipality;

**“Property Rates Act”** means the Local Government Municipal Property Rates Act, 2004 (Act No 6 of 2004);

**“Rates Policy”** means the Naledi Local Municipality property rates policy adopted by the Council by resolution no 216/2021 in terms of section 3(1) of the Local Government: Municipal Property rates Act, 2004.

### 2. OBJECTS

The object of this by-law is to give effect to the implementation of the Rates Policy as contemplated in section 6 of the Municipal Property Rates Act.

### 3. THE RATES POLICY

The Municipality prepared and adopted a Rates Policy as contemplated in terms of the provisions of section 3(1) of the Municipal Property Rates Act. The rates policy outlines the Municipality’s rating practices; therefore, it is not necessary for this By-law to restate and repeat same.

The rates policy is hereby incorporated by reference in this By-law. All amendments to the rates policy as the Council may approve from time to time, shall be deemed to be likewise incorporated.

The Municipality does not levy rates other than in terms of its rates policy and the annually promulgated resolution levying rates which reflects the cent amount in the Rand rate for each category of rateable property.

The rates policy is available at Naledi Local Municipality Head Office, 19A Market Street, Vryburg.

**4. CATEGORIES OF RATEABLE PROPERTIES**

The rates policy provides for the categories of rateable properties determined in terms of section 8 of the Act.

**5. CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES**

The rates policy provides for categories of properties and categories of owners of properties for the purposes of granting relief measures (exemptions, reductions and rebates) in terms of section 15 of the Act.

**6. ENFORCEMENT OF THE RATES POLICY**

The Municipality's Rates Policy shall be enforced through the Credit Control and Debt Collection Policy and any further enforcement mechanisms stipulated in the Act and the Municipality's Rates Policy.

**7. CATEGORIES OF RATEABLE PROPERTIES**

This By-Law is called the Municipal Property Rates By-Law and takes effect on the date on which it is published in the Provincial Gazette.