



PROVINCE OF THE EASTERN CAPE
IPHONDO LEMPUMA KOLONI
PROVINSIE OOS-KAAP

**Provincial Gazette
Igazethi Yephondo
Provinsiale Koerant**

Vol. 23

BISHO/KING WILLIAM'S TOWN
22 AUGUST 2016
22 AUGUSTUS 2016

No. 3723

We all have the power to prevent AIDS



**AIDS
HELPLINE**

0800 012 322

DEPARTMENT OF HEALTH

Prevention is the cure

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-4556



03723



IMPORTANT NOTICE:

THE GOVERNMENT PRINTING WORKS WILL NOT BE HELD RESPONSIBLE FOR ANY ERRORS THAT MIGHT OCCUR DUE TO THE SUBMISSION OF INCOMPLETE / INCORRECT / ILLEGIBLE COPY.

No FUTURE QUERIES WILL BE HANDLED IN CONNECTION WITH THE ABOVE.

CONTENTS

		<i>Gazette</i>	<i>Page</i>
		<i>No.</i>	<i>No.</i>
PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS			
188	Eastern Cape General Law Amendment Act (3/2016): For general information	3723	11
189	Eastern Cape Appropriation Act (4/2016): For General Information: Premier of the Province of the Eastern Cape has assented to the Act	3723	15
LOCAL AUTHORITY NOTICES • PLAASLIKE OWERHEIDS KENNISGEWINGS			
72	Local Government: Municipality Property Rates Act, 2004: Resolution levying property rates for the financial year 1 July 2016 to 30 June 2017	3723	40
73	Local Government: Municipal Property Rates Act (6/2004): Mbizana Local Municipality: Property Rates Policy 2016/2017	3723	42
74	Local Government: Municipal Finance Management Act (MFMA) (56/2003): Mbizana Local MunicipalityL Tariff Policy 2016/2017	3723	62
75	Municipality Spluma By-law: Mbizana Municipality Draft and Land Use Scheme	3723	83

IMPORTANT ANNOUNCEMENT**Closing times for the ORDINARY WEEKLY
EASTERN CAPE PROVINCIAL GAZETTE 2016**

The closing time is 15:00 sharp on the following days:

- 22 April 2016, Friday for the issue of Monday 02 May 2016
- 29 April 2016, Friday for the issue of Monday 09 May 2016
- 09 May 2016, Monday for the issue of Monday 16 May 2016
- 16 May 2016, Monday for the issue of Monday 23 May 2016
- 23 May 2016, Monday for the issue of Monday 30 May 2016
- 30 May 2016, Monday for the issue of Monday 06 June 2016
- 06 June 2016, Monday for the issue of Monday 13 June 2016
- 10 June 2016, Friday for the issue of Monday 20 June 2016
- 20 June 2016, Monday for the issue of Monday 27 June 2016
- 27 June 2016, Monday for the issue of Monday 04 July 2016
- 04 July 2016, Monday for the issue of Monday 11 July 2016
- 11 July 2016, Monday for the issue of Monday 18 July 2016
- 18 July 2016, Monday for the issue of Monday 25 July 2016
- 25 July 2016, Monday for the issue of Monday 01 August 2016
- 01 August 2016, Monday for the issue of Monday 08 August 2016
- 05 August 2016, Friday for the issue of Monday 15 August 2016
- 15 August 2016, Monday for the issue of Monday 22 August 2016
- 22 August 2016, Monday for the issue of Monday 29 August 2016
- 29 August 2016, Monday for the issue of Monday 05 September 2016
- 05 September 2016, Monday for the issue of Monday 12 September 2016
- 12 September 2016, Monday for the issue of Monday 19 September 2016
- 19 September 2016, Monday for the issue of Monday 26 September 2016
- 26 September 2016, Monday for the issue of Monday 03 October 2016
- 03 October 2016, Monday for the issue of Monday 10 October 2016
- 10 October 2016, Monday for the issue of Monday 17 October 2016
- 17 October 2016, Monday for the issue of Monday 24 October 2016
- 24 October 2016, Monday for the issue of Monday 31 October 2016
- 31 October 2016, Monday for the issue of Monday 07 November 2016
- 07 November 2016, Monday for the issue of Monday 14 November 2016
- 14 November 2016, Monday for the issue of Monday 21 November 2016
- 21 November 2016, Monday for the issue of Monday 28 November 2016
- 28 November 2016, Monday for the issue of Monday 05 December 2016
- 05 December 2016, Monday for the issue of Monday 12 December 2016
- 09 December 2016, Friday for the issue of Monday 19 December 2016
- 19 December 2016, Monday for the issue of Monday 26 December 2016
- 23 December 2016, Friday for the issue of Monday 02 January 2017

LIST OF TARIFF RATES FOR PUBLICATION OF NOTICES

COMMENCEMENT: 1 APRIL 2016

NATIONAL AND PROVINCIAL

Notice sizes for National, Provincial & Tender gazettes 1/4, 2/4, 3/4, 4/4 per page. Notices submitted will be charged at R1000 per full page, pro-rated based on the above categories.

Pricing for National, Provincial - Variable Priced Notices		
Notice Type	Page Space	New Price (R)
Ordinary National, Provincial	1/4 - Quarter Page	250.00
Ordinary National, Provincial	2/4 - Half Page	500.00
Ordinary National, Provincial	3/4 - Three Quarter Page	750.00
Ordinary National, Provincial	4/4 - Full Page	1000.00

EXTRA-ORDINARY

All Extra-ordinary National and Provincial gazette notices are non-standard notices and attract a variable price based on the number of pages submitted.

The pricing structure for National and Provincial notices which are submitted as **Extra ordinary submissions** will be charged at **R3000** per page.

GOVERNMENT PRINTING WORKS - BUSINESS RULES

The **Government Printing Works (GPW)** has established rules for submitting notices in line with its electronic notice processing system, which requires the use of electronic *Adobe Forms*. Please ensure that you adhere to these guidelines when completing and submitting your notice submission.

CLOSING TIMES FOR ACCEPTANCE OF NOTICES

1. The *Government Gazette* and *Government Tender Bulletin* are weekly publications that are published on Fridays and the closing time for the acceptance of notices is strictly applied according to the scheduled time for each gazette.
2. Please refer to the Submission Notice Deadline schedule in the table below. This schedule is also published online on the Government Printing works website www.gpwonline.co.za

All re-submissions will be subject to the standard cut-off times.

All notices received after the closing time will be rejected.

Government Gazette Type	Publication Frequency	Publication Date	Submission Deadline	Cancellations Deadline
National Gazette	Weekly	Friday	Friday 15h00 for next Friday	Tuesday, 12h00 - 3 days prior to publication
Regulation Gazette	Weekly	Friday	Friday 15h00, to be published the following Friday	Tuesday, 12h00 - 3 days prior to publication
Petrol Price Gazette	As required	First Wednesday of the month	One week before publication	3 days prior to publication
Road Carrier Permits	Weekly	Friday	Thursday 15h00, to be published the following Friday	3 days prior to publication
Unclaimed Monies (justice, labour or lawyers)	January / As required 2 per year	Any	15 January / As required	3 days prior to publication
Parliament (acts, white paper, green paper)	As required	Any		3 days prior to publication
Manuals	As required	Any	None	None
State of Budget (National Treasury)	Monthly	Any	7 days prior to publication	3 days prior to publication
Legal Gazettes A, B and C	Weekly	Friday	One week before publication	Tuesday, 12h00 - 3 days prior to publication
Tender Bulletin	Weekly	Friday	Friday 15h00 for next Friday	Tuesday, 12h00 - 3 days prior to publication
Gauteng	Weekly	Wednesday	Two weeks before publication	3 days after submission deadline
Eastern Cape	Weekly	Monday	One week before publication	3 days prior to publication
Northern Cape	Weekly	Monday	One week before publication	3 days prior to publication
North West	Weekly	Tuesday	One week before publication	3 days prior to publication
KwaZulu-Natal	Weekly	Thursday	One week before publication	3 days prior to publication
Limpopo	Weekly	Friday	One week before publication	3 days prior to publication
Mpumalanga	Weekly	Friday	One week before publication	3 days prior to publication
Gauteng Liquor License Gazette	Monthly	Wednesday before the First Friday of the month	Two weeks before publication	3 days after submission deadline
Northern Cape Liquor License Gazette	Monthly	First Friday of the month	Two weeks before publication	3 days after submission deadline
National Liquor License Gazette	Monthly	First Friday of the month	Two weeks before publication	3 days after submission deadline
Mpumalanga Liquor License Gazette	2 per month	Second & Fourth Friday	One week before	3 days prior to publication

GOVERNMENT PRINTING WORKS - BUSINESS RULES**NOTICE SUBMISSION PROCESS**

3. Download the latest *Adobe* form, for the relevant notice to be placed, from the **Government Printing Works** website www.gpwonline.co.za.
4. The *Adobe* form needs to be completed electronically using *Adobe Acrobat / Acrobat Reader*. Only electronically completed *Adobe* forms will be accepted. No printed, handwritten and/or scanned *Adobe* forms will be accepted.
5. The completed electronic *Adobe* form has to be submitted via email to submit.egazette@gpw.gov.za. The form needs to be submitted in its original electronic *Adobe* format to enable the system to extract the completed information from the form for placement in the publication.
6. Each notice submission should be sent as a single email. The email should contain **all documentation relating to a particular notice submission**, each as a separate attachment:
 - 6.1. Electronically completed *Adobe* form, specific to the type of notice that is to be placed.
 - 6.1.1. For National *Government Gazette* or *Provincial Gazette* notices, the notices must be accompanied by an electronic Z95 or Z95Prov *Adobe* form
 - 6.1.2. The notice content (body copy) **MUST** be a separate attachment.
 - 6.2. Proof of Payment / Purchase Order: **Government Printing Works** account customer must include a copy of their Purchase Order. **Non-Government Printing Works** account customer needs to submit the proof of payment for the notice
 - 6.3. Where separate notice content is applicable (Z95, Z95 Prov and TForm 3, it should also be attached as a separate attachment. (See specifications below, point 11).
 - 6.4. Any additional notice information if applicable.
7. The electronic *Adobe* form will be taken as the primary source for the notice information to be published. Instructions that are on the email body or covering letter that contradicts the notice form content will not be considered. The information submitted on the electronic *Adobe* form will be published as-is.
8. To avoid duplicated publication of the same notice and double billing, Please submit your notice **ONLY ONCE**.
9. Notices brought to **GPW** by "walk-in" customers on electronic media can only be submitted in *Adobe* electronic form format. All "walk-in" customers with notices that are not on electronic *Adobe* forms will be routed to the Contact Centre where they will be assisted to complete the forms in the required format.
10. Should a customer submit a bulk submission of hard copy notices delivered by a messenger on behalf of any organisation e.g. newspaper publisher, the messenger will be referred back to the sender as the submission does not adhere to the submission rules.

GOVERNMENT PRINTING WORKS - BUSINESS RULES**COPY (SEPARATE NOTICE CONTENT DOCUMENT)**

11. Where the copy is part of a separate attachment document for Z95, Z95Prov and TForm03
 - 11.1. Copy of notices must be supplied in a separate document and may not constitute part of any covering letter, purchase order, proof of payment or other attached documents.

The content document should contain only one notice. (You may include the different translations of the same notice in the same document).
 - 11.2. The notice should be set on an A4 page, with margins and fonts set as follows:

Page size = A4 Portrait with page margins: Top = 40mm, LH/RH = 16mm, Bottom = 40mm;
Use font size: Arial or Helvetica 10pt with 11pt line spacing;

Page size = A4 Landscape with page margins: Top = 16mm, LH/RH = 40mm, Bottom = 16mm;
Use font size: Arial or Helvetica 10pt with 11pt line spacing;

CANCELLATIONS

12. Cancellation of notice submissions are accepted by **GPW** according to the deadlines stated in the table above in point 2. Non-compliance to these deadlines will result in your request being failed. Please pay special attention to the different deadlines for each gazette. Please note that any notices cancelled after the cancellation deadline will be published and charged at full cost.
13. Requests for cancellation must be sent by the original sender of the notice and must be accompanied by the relevant notice reference number (N-) in the email body.

AMENDMENTS TO NOTICES

14. With effect from 01 October 2015, **GPW** will not longer accept amendments to notices. The cancellation process will need to be followed according to the deadline and a new notice submitted thereafter for the next available publication date.

REJECTIONS

15. All notices not meeting the submission rules will be rejected to the customer to be corrected and resubmitted. Assistance will be available through the Contact Centre should help be required when completing the forms. (012-748 6200 or email info.egazette@gpw.gov.za). Reasons for rejections include the following:
 - 15.1. Incorrectly completed forms and notices submitted in the wrong format, will be rejected.
 - 15.2. Any notice submissions not on the correct *Adobe* electronic form, will be rejected.
 - 15.3. Any notice submissions not accompanied by the proof of payment / purchase order will be rejected and the notice will not be processed.
 - 15.4. Any submissions or re-submissions that miss the submission cut-off times will be rejected to the customer. The Notice needs to be re-submitted with a new publication date.

GOVERNMENT PRINTING WORKS - BUSINESS RULES**APPROVAL OF NOTICES**

16. Any notices other than legal notices are subject to the approval of the Government Printer, who may refuse acceptance or further publication of any notice.
17. No amendments will be accepted in respect to separate notice content that was sent with a Z95 or Z95Prov notice submissions. The copy of notice in layout format (previously known as proof-out) is only provided where requested, for Advertiser to see the notice in final Gazette layout. Should they find that the information submitted was incorrect, they should request for a notice cancellation and resubmit the corrected notice, subject to standard submission deadlines. The cancellation is also subject to the stages in the publishing process, i.e. If cancellation is received when production (printing process) has commenced, then the notice cannot be cancelled.

GOVERNMENT PRINTER INDEMNIFIED AGAINST LIABILITY

18. The Government Printer will assume no liability in respect of—
 - 18.1. any delay in the publication of a notice or publication of such notice on any date other than that stipulated by the advertiser;
 - 18.2. erroneous classification of a notice, or the placement of such notice in any section or under any heading other than the section or heading stipulated by the advertiser;
 - 18.3. any editing, revision, omission, typographical errors or errors resulting from faint or indistinct copy.

LIABILITY OF ADVERTISER

19. Advertisers will be held liable for any compensation and costs arising from any action which may be instituted against the Government Printer in consequence of the publication of any notice.

CUSTOMER INQUIRIES

Many of our customers request immediate feedback/confirmation of notice placement in the gazette from our Contact Centre once they have submitted their notice – While **GPW** deems it one of their highest priorities and responsibilities to provide customers with this requested feedback and the best service at all times, we are only able to do so once we have started processing your notice submission.

GPW has a 2-working day turnaround time for processing notices received according to the business rules and deadline submissions.

Please keep this in mind when making inquiries about your notice submission at the Contact Centre.

20. Requests for information, quotations and inquiries must be sent to the Contact Centre **ONLY**.
21. Requests for Quotations (RFQs) should be received by the Contact Centre at least **2 working days** before the submission deadline for that specific publication.

GOVERNMENT PRINTING WORKS - BUSINESS RULES

PAYMENT OF COST

22. The Request for Quotation for placement of the notice should be sent to the Gazette Contact Centre as indicated above, prior to submission of notice for advertising.
23. Payment should then be made, or Purchase Order prepared based on the received quotation, prior to the submission of the notice for advertising as these documents i.e. proof of payment or Purchase order will be required as part of the notice submission, as indicated earlier.
24. Where there is any doubt about the cost of publication of a notice, and in the case of copy, an enquiry, accompanied by the relevant copy, should be addressed to the Gazette Contact Centre, **Government Printing Works**, Private Bag X85, Pretoria, 0001 email: info.egazette@gpw.gov.za before publication.
25. Overpayment resulting from miscalculation on the part of the advertiser of the cost of publication of a notice will not be refunded, unless the advertiser furnishes adequate reasons why such miscalculation occurred. In the event of underpayments, the difference will be recovered from the advertiser, and future notice(s) will not be published until such time as the full cost of such publication has been duly paid in cash or electronic funds transfer into the **Government Printing Works** banking account.
26. In the event of a notice being cancelled, a refund will be made only if no cost regarding the placing of the notice has been incurred by the **Government Printing Works**.
27. The **Government Printing Works** reserves the right to levy an additional charge in cases where notices, the cost of which has been calculated in accordance with the List of Fixed Tariff Rates, are subsequently found to be excessively lengthy or to contain overmuch or complicated tabulation.

PROOF OF PUBLICATION

28. Copies of any of the *Government Gazette* or *Provincial Gazette* can be downloaded from the **Government Printing Works** website www.gpwonline.co.za free of charge, should a proof of publication be required.
29. Printed copies may be ordered from the Publications department at the ruling price. The **Government Printing Works** will assume no liability for any failure to post or for any delay in despatching of such *Government Gazette(s)*.

GOVERNMENT PRINTING WORKS CONTACT INFORMATION

Physical Address:

Government Printing Works
149 Bosman Street
Pretoria

Postal Address:

Private Bag X85
Pretoria
0001

GPW Banking Details:

Bank: ABSA Bosman Street
Account No.: 405 7114 016
Branch Code: 632-005

For Gazette and Notice submissions: Gazette Submissions:

For queries and quotations, contact: Gazette Contact Centre:

E-mail: submit.egazette@gpw.gov.za

E-mail: info.egazette@gpw.gov.za

Tel: 012-748 6200

Contact person for subscribers: Mrs M. Toka:

E-mail: subscriptions@gpw.gov.za

Tel: 012-748-6066 / 6060 / 6058

Fax: 012-323-9574

PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS

PROVINCIAL NOTICE 188 OF 2016

PROVINCE OF THE EASTERN CAPE

OFFICE OF THE PREMIER

**EASTERN CAPE GENERAL LAW AMENDMENT ACT
2016 ACTS NO. 3 OF 2016**

It is hereby published for general information that the Premier of the Province of the Eastern Cape has assented to the above-mentioned Act.

PROVINCE OF THE EASTERN CAPE

**EASTERN CAPE GENERAL LAW AMENDMENT
ACT, 2016**

ACT NO 3 OF 2016

<p>BILL PROVINCE OF THE EASTERN CAPE Assented To in Terms of Section 121 R.W. Section 123, 124 And 127 OF Act 108 OF 1996</p>
<p><i>[Handwritten Signature]</i></p>
<p>Signature</p>
<p>23 - 06 - 2016</p>
<p>Date</p>
<p>G.P. MASUANE</p>
<p>Full Names</p>
<p>TITLE PREMIER- ACTING PREMIER (Delete whichever is not applicable)</p>
<p>(NOTE: ON THE DATE HEREOF, ENGLISH IS THE ONLY OFFICIAL LANGUAGE OF THE PROVINCE)</p>

ACT NO 3 OF 2016 (EC) EASTERN CAPE GENERAL LAW AMENDMENT ACT, 2016 (EASTERN CAPE)

ACT

To repeal obsolete and old order legislation of the Province of the Eastern Cape; and to provide for matters connected therewith.

BE IT ENACTED by the Legislature of the Province of the Eastern Cape, as follows:-

REPEAL OF LAWS

1. The laws mentioned in the second column of the Schedule are hereby repealed to the extent set out in the third column thereof.

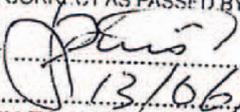
SHORT TITLE AND DATE OF COMMENCEMENT

2. This Act is called the General Law Amendment Act, 2016 (Eastern Cape) and shall come into operation on a date determined by the Premier by proclamation in the Provincial Gazette.

ACT NO 3 OF 2016 (EC) EASTERN CAPE GENERAL LAW AMENDMENT ACT, 2016 (EASTERN CAPE)

SCHEDULE

Number and year of Act	Short title	Extent of repeal
(a) Ordinance No. 4 of 1911	Interpretation Ordinance	Repealed as a whole
(b) Ordinance No. 7 of 1912	Cape Local Authorities Gas Ordinance	Repealed as a whole
(c) Ordinance No. 11 of 1919	East London Municipal Ordinance	Repeal as a whole
(d) Act No. 81 of 1967	Aged Persons Act	In so far as it has been assigned to the Province
(e) Act No. 100 of 1978	National Welfare Act	In so far as it has been assigned to the Province
(f) Act No. 10 of 1985	Transkei Corporations Act	Repealed as a whole
(g) Act No. 20 of 1986	Animals Protection Act (Ciskei)	Repealed as a whole
(h) Act No. 18 of 1987	National Welfare Act (Ciskei)	Repealed as a whole

CERTIFIED AS CORRECT AS PASSED BY THE PROVINCIAL
LEGISLATURE
SIGNATURE: 
DATE: 13/06/2016
SECRETARY TO PROVINCIAL LEGISLATURE

PROVINCIAL NOTICE 189 OF 2016

PROVINCE OF THE EASTERN CAPE

OFFICE OF THE PREMIER

**EASTERN CAPE APPROPRIATION ACT 2016,
ACT NO. 4 OF 2016**

It is hereby published for general information that the Premier of the Province of the Eastern Cape has assented to the above-mentioned Act.

PROVINCE OF THE EASTERN CAPE

APPROPRIATION ACT, 2016
(EASTERN CAPE)

ACT NO 4 OF 2016

<p>BILL PROVINCE OF THE EASTERN CAPE Assented To in Terms of Section 121 R.W. Section 123, 124 And 127 OF Act 108 OF 1996</p>
<p><i>[Handwritten Signature]</i></p>
<p>Signature</p>
<p>23-06-2016</p>
<p>Date</p>
<p>G.P. MASUALLE</p>
<p>Full Names</p>
<p>TITLE PREMIER- ACTING PREMIER (Delete whichever is not applicable)</p>
<p>(NOTE: ON THE DATE HEREOF, ENGLISH IS THE ONLY OFFICIAL LANGUAGE OF THE PROVINCE)</p>

ACT NO 4 OF 2016 (EC) APPROPRIATION ACT, 2016 (EASTERN CAPE)

ACT

To provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Province of the Eastern Cape in the 2016/17 financial year and to provide for matters incidental thereto.

PREAMBLE

WHEREAS section 226(2) of the Constitution of the Republic of South Africa, 1996 provides that money may be withdrawn from the Provincial Revenue Fund only in terms of an appropriation by a Provincial Act;

AND WHEREAS section 26 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) provides that the Provincial Legislature must appropriate money for each financial year for the requirements of the Province;

BE IT THEREFORE ENACTED by the Legislature of the Province of the Eastern Cape, as follows:-

Definitions

1. In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act has the meaning assigned to it in that Act and-

"Act" includes the Schedule;

"conditional grants" means allocations to the province, from the national government's share of revenue raised nationally, provided for in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996;

"current payments" means any payments made by a provincial department in respect of the operational requirements of that department, and includes, amongst others, payments for the compensation of employees, goods and services, interest, rental of immovable property and financial transactions relating to assets and liabilities, but exclude transfers and subsidies and payments for capital assets;

"non-core items" means consultants on business and advisory services, venues and facilities, catering, travel and subsistence and communication;

"payments for capital assets" means any payments made by a provincial department-

(a) for assets that can be used continuously or repeatedly in production for more than one year, and from which future economic benefits or services potential is expected to flow directly to the provincial department making the payment; and

ACT NO 4 OF 2016 (EC) APPROPRIATION ACT, 2016 (EASTERN CAPE)

- (b) that must be classified as or deemed to be payments for capital assets in accordance with the *"Reference Guide to the new Economic Format"* (November 2003, Version 2) and the *"Asset Management Framework"* (April 2004, Version 3.3), issued by the National Treasury under section 76 of the Public Finance Management Act;

"Public Finance Management Act" means the Public Finance Management Act, 1999 (Act No. 1 of 1999); and

"transfers and subsidies" means any payments made by a provincial department to another organ of state or any other person in respect of which the provincial department does not receive anything of similar value directly in return.

Appropriation of money for the requirements of the Province

2. (a) Appropriations by the Legislature of the Province of the Eastern Cape of money from the Provincial Revenue Fund for the requirements of the Province in the 2016/17 financial year, to votes and main divisions within a vote, and for the specific listed purposes, are set out in the Schedule; and
- (b) Subject to section 3, spending of appropriations is subject to the Public Finance Management Act.

Appropriation listed as specifically and exclusively

3. Despite the provisions of any law, appropriations to a vote or main divisions within a vote that are listed as specifically and exclusively in the Schedule may only be utilised for the purpose indicated and may not be used for any other purpose, unless an Act of the Legislature of the Province of the Eastern Cape amends or changes the purpose for which it was allocated.

Conditions for allocations

4. (1) The MEC may, in writing-
- (a) impose conditions on an allocation in an appropriation listed in the Schedule to this Act, other than a conditional allocation, in order to promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of departments and public entities as required by section 6(1)(g) of the Public Finance Management Act.
- (b) instruct a department or public entity to stop utilising an allocation in respect of which conditions have been imposed in terms of paragraph (a), until such conditions are met.
- (2) The instruction to stop utilising an allocation contemplated in subsection (1)(b) must be disclosed in the Provincial Treasury's report to the relevant Legislature Portfolio Committees in the quarter following the quarter in which the instruction was issued.

ACT NO 4 OF 2016 (EC) APPROPRIATION ACT, 2016 (EASTERN CAPE)

(3) Any change to the baseline for non-core items that was restored in line with 2015 Medium Term Expenditure Framework plus Consumer Price Index must be approved by the Provincial Treasury.

Use of unspent funds

5. (1) Despite section 3 of this Act and section 43(4) of the Public Finance Management Act, the MEC may, for purposes of expediting service delivery, approve the use of unspent funds, in an amount appropriated for a vote in the Schedule to this Act, in respect of-
- (a) compensation of employees provided that the amount is used within that vote for transfers and subsidies for the payment of severance or exit packages.
 - (b) payments for capital assets, provided that the amount is used within that vote for the same category of expenditure.
- (2) The approval of the utilisation of unspent funds in terms of subsection (1) must be disclosed in the Provincial Treasury's report to the relevant Legislature Portfolio Committees in the quarter following the quarter in which the utilisation was approved.

Short title and commencement

6. This Act is called the Eastern Cape Appropriation Act, 2016 and comes into operation on 1 April 2016.

**APPROPRIATION BILL 2016 (EASTERN CAPE)
SCHEDULE PER DEPARTMENT**

VOTE	DEPARTMENT	AMOUNT R'000
1	Office of the Premier	585,519
2	Provincial Legislature	481,930
3	Health	20,244,339
4	Social Development	2,383,626
5	Roads and Public Works	4,459,193
6	Education	31,002,644
7	Co-operative Governance and Traditional Affairs	1,010,156
8	Rural Development and Agrarian Reform	2,209,319
9	Economic Development, Environmental Affairs and Tourism	1,147,490
10	Transport	1,750,698
11	Human Settlements	2,349,036
12	Provincial Treasury	1,034,013
14	Sport, Recreation, Arts and Culture	843,698
15	Safety and Liaison	89,273
Total		69,590,933

Annexure A - Details of 2016/17 Budget Estimates

Details of Vote		Total per Vote and Main Division
No.	Title	R'000
1	Office of the Premier	585,519
	<i>Aim: Lead and coordinate the provincial administration in inclusive, transparent, and accountable governance and evidence-based decision making for integrated policy formulation, planning, monitoring, reporting, evaluation and review of government programmes towards the achievement of efficient and effective service delivery that supports integrated socio-economic transformation aligned to constitutional and legislated prescripts.</i>	
	1. Administration	312,026
	<i>Aim: To provide strategic leadership, management and support services to the Premier, Director-General and the department; effective and efficient secretarial services to the Executive Council and provincial management structures; reliable legal services and a comprehensive communication service on behalf of government; as well as manage strategic priority interventions.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Public corporations and private enterprises	
	<i>Of which</i>	
	* - Municipal Hot Spots: Electrification and Water reticulation	
	Households	
	<i>Of which</i>	
	* - Employee social benefits: Leave gratuities	
	Machinery and Equipment	
	2. Planning, Policy Co-ordination, Monitoring and Evaluation	133,729
	<i>Aim: To set provincial administration's programme of action, and lead evidence-based decision-making for integrated development policy formulation, planning, monitoring, reporting, evaluation and review of government programmes, including through intergovernmental, stakeholder and international relations management.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Departmental agencies and accounts	
	<i>Of which</i>	
	* - Eastern Cape Socio Economic Consultative Council: Research and Policy Development	
	3. Institutional Development and Organisational Support	139,764
	<i>Aim: To manage the administration of the public service system and promote accountable governance by providing institutional development and organisational support services to ensure that the Provincial Government has sufficient skills capacity to effectively and efficiently deliver on its mandate.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Higher education institutions	
	<i>Of which</i>	
	* - WSU, UFH, NMMU, RU: Providing financial assistance to students	
	Machinery and equipment	
	Software and other intangible assets	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
2	Provincial Legislature.	481,930
	<i>Aim:</i> To conduct oversight that will ensure accountability of the provincial government to the people of the Province; To pass laws that will ensure that citizens' rights are upheld; To conduct public outreach and education programmes that will ensure meaningful participation of the public in government programmes; and To foster relations with local and international oversight bodies that will ensure sharing of knowledge and best practices.	
	1. Administration.	169,601
	<i>Aim:</i> To provide political and administrative leadership to the Legislature to strengthen provincial, national and international relations.	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	2. Facilities for Members and Political Parties	138,541
	<i>Aim:</i> To render administrative support services to political office-bearers and MPLs with regard to facilities and benefits.	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Non-Profit Institutions	
	<i>Of which</i>	
	* - Political Party Support: Operations	
	3. Parliamentary Services (Operational & Institutional Support)	111,227
	<i>Aim:</i> To strengthen strategic management for the division's effectiveness, improve management, access and sharing of information; improve parliamentary support for an effective oversight function of the Legislature; and improve parliamentary support for effective public education.	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Members' Salaries (Direct Charge)	62,560
	<i>Aim:</i> To provide for the salaries of all members of the Legislature, including the Speaker.	
	<i>Of which</i>	
	Compensation of Employees	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R'000
3	Health	20,244,339
	<i>Aim: To provide and ensure accessible comprehensive integrated services in the Eastern Cape, emphasizing the primary health care approach, optimally utilising all resources to enable all its present and</i>	
	1. Administration	674,962
	<i>Aim: To conduct strategic management and overall administration of the department.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Interest on Land	
	Provinces and Municipalities	
	Public corporations and private enterprises	
	Households	
	<i>Of which</i>	
	- Employee social benefits: Leave gratuities	
	Machinery and Equipment	
	Software and Intangible Assets	
	2. District Health Services	9,968,415
	<i>Aim: To render Primary Health Care Services and District Hospital Services.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	<i>Including: Medical Provisions</i>	
	* - Medical Supplies	
	* - Medicines	
	Provinces and Municipalities	
	Provinces and Municipalities	
	Departmental Agencies and Accounts	
	Higher Education Institutions	
	<i>Of which</i>	
	* - Health and Welfare Sector: Operations for for Home Based Care Service by Hospices	
	Households	
	<i>Of which</i>	
	- Employee social benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* National Health Insurance Grant	
	* Social Sector EPWP Incentive Grant for Provinces	
	* Comprehensive HIV/AIDS and TB Grant	
	3. Emergency Medical Services	1,120,995
	<i>Aim: To provide for the rendering of pre-hospital emergency medical services including inter-hospital transfers and planned patient transport.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Public corporations and private enterprises	
	Households	
	<i>Of which</i>	
	- Employee social benefits: Leave gratuities	
	Machinery and Equipment	
	4. Provincial Hospital Services	3,320,325
	<i>Aim: Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialized rehabilitation service, as well as a platform for training health</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	- Employee social benefits: Leave gratuities	
	Machinery and Equipment	
	Buildings and other fixed structures	
	5. Central Hospital Services	2,838,790
	<i>Aim: To provide tertiary and quaternary health services and create a platform for the training of health workers.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	Buildings and other fixed structures	
	<i>Of which</i>	
	- Employee social benefits: Leave gratuities	
	Machinery and Equipment	
	Conditional grants	
	* National Tertiary Services Grant	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
		799,467
6. Health Sciences, Training and Development		
<i>Aim: Rendering of training and development opportunities for actual and potential employees of the Department.</i>		
<i>Of which</i>		
Compensation of Employees		
Goods and Services		
Departmental Agencies and Accounts		
<i>Of which</i>		
* Health and Welfare Services Education and Training Authority; Transfer to HWSETA for Skills Dev Levy training.		
Households		
<i>Of which</i>		
- Employee social benefits: Leave gratuities		
* - Bursaries for Non-employee: Studies in Health Profession		
Buildings and other fixed structures		
Machinery and Equipment		
Conditional grants		
* Health Professionals Training and Development Grant		
		118,609
7. Health Care Support Services		
<i>Aim: To render support services required by the Department to realise its objectives.</i>		
<i>Of which</i>		
Compensation of Employees		
Goods and Services		
Departmental agencies and accounts		
Households		
Buildings and other Fixed Structures		
<i>Of which</i>		
- Employee social benefits: Leave gratuities		
Machinery and Equipment		
		1,402,776
8. Health Facilities Management		
<i>Aim: To provide new health facilities and the refurbishment, upgrading and maintenance of existing facilities</i>		
<i>Of which</i>		
Compensation of Employees		
Goods and Services		
Departmental agencies and accounts		
Households		
Buildings and other Fixed Structures		
Machinery and Equipment		
Conditional grants		
* Health Facility Revitalisation (Health Infrastructure Revitalisation Grant)		
* EPWP Integrated Grant for Provinces		
* Specifically and Exclusively Appropriated		

Details of Vote		Total per Vote and Main Division
No.	Title	R000
4	Social Development	2 383 626
	Aim: To transform our society by building conscious and capable citizens through the provision of integrated social development services with families at the core of social change	
	1. Administration	438 237
	Aim: To provide strategic leadership, management and support services at all levels of the department.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Interest and rent on land	
	Departmental agencies and accounts	
	Households	
	Of which	
	- Employee social benefits: Leave gratuities and injury on duty	
	* - SOMA: Payments for incapacity leave and ill health retirement investigations	
	* - Employee social benefits: Data Capturers (Expanded Public Works Programme)	
	Buildings and Other Fixed Structures	
	Machinery and Equipment	
	Software and other Intangible Assets	
	Conditional Grant	
	* Social Sector EPWP Incentive Grant for Provinces	
	2. Social Welfare Services	614 690
	Aim: Provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Non-profit Institutions	
	Of which	
	* - Old Age Homes: Subsidy	
	* - Welfare Organisations: Priority Projects	
	* - Service Centres: Protective workshops	
	* - Homes for the disabled: Social Assistance transfers for people with disabilities	
	* - Protective Workshops: Special day care centres	
	* - Welfare Organisations: Funding Old Aged Homes	
	* - Priority Project / Community Based Rehabilitation: 1 Stop Justice centre	
	* - Home Community Based Care Centres: Secure care centre	
	Households	
	Of which	
	* - Employee social benefits: Conditional Grant - Expanded Public Works Programme (Disability)	
	* - Employee social benefits: Conditional Grant - Expanded Public Works Programme (HIV/AIDS):	
	* - Priority Project (School uniform): Social Relief	
	* - Food Parcels: Social Relief	
	* - Employee social benefits: Older Persons Expanded Public Works Programme	
	Buildings and Other Fixed Structures	
	Machinery and Equipment	
	Conditional grant	
	* Social Sector EPWP Incentive Grant for Provinces	
	3. Children and Families	646 122
	Aim: Provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organizations.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Non-profit Institutions	
	Of which	
	* - Safety fees: Childrens Home	
	* - Child Care & Protection: Childrens Home	
	* - School uniform (clothing): Early Childhood Development Programme/Partial Care	
	* - Early Childhood Development Centres: Childrens Home	
	* - Non Centre Based: Safety fees	
	* - Childrens Home: ECD & Partial Care	
	* - Isibindi: Child & Youth Care Centres	
	* - Cluster Foster Homes: Community-Based Care Services for Children	
	* - Welfare Organisations (Famsa): Family Resource Centre	
	* - Priority Projects: Family Resource Centre	
	Households	
	Of which	
	* - Employee Social Benefits: ECD & Partial Care (Expanded Public Works Programme)	
	Conditional grant	
	* EPWP Integrated Grant for Provinces	

No.	Details of Vote Title	Total per Vote and Main Division
		R000
	4. Restorative Services	366,267
	Aim: Provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Non-profit Institutions	
	Of which	
	* Welfare Organisations: Teenagers Against Drug Abuse	
	* Priority Projects: Welfare Organisations	
	* Welfare Organisations: South African National Council on Alcoholism	
	* Projects: Victim empowerment (Priority projects and subsidised Non Government Organisation's)	
	* Priority Projects: Welfare Organisations- Diversion Programmes	
	Households	
	Of which	
	* Victim empowerment programmes (Expanded Public Works Programme)	
	Machinery and Equipment	
	Conditional Grant	
	* Social Sector EPWP Incentive Grant for Provinces	
	5. Development and Research	316,310
	Aim: To provide sustainable development programmes which facilitate empowerment of communities based on demographic and evidence based information.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* Institutional capacity building and support for NGOs: Operations	
	Households	
	Of which	
	* Poverty Alleviation and Sustainable Livelihoods: Institutional capacity building and support for NGOs	
	* Youth Development: Poverty Alleviation and Sustainable Livelihoods	
	* Women Development: Women Development	
	* Poverty Alleviation and Sustainable Livelihoods Expanded Public Works Programme:	
	Machinery and Equipment	
	Conditional Grant	
	* Social Sector EPWP Incentive Grant for Provinces	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
5	Roads and Public Works	4,459,193
	Aim: To be a custodian of provincial government immovable assets and a provider of sustainable infrastructure resulting in socio-economic reforms, sector transformation and development.	
	1. Administration	540,535
	Aim: To provide administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Households	
	Of which	
	Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	Software and other Intangible Assets	
	2. Public Works Infrastructure	1,336,381
	Aim: To provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive which supports economic development and social empowerment.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Interest and rent on land	
	Provinces and Municipalities	
	Of which	
	* - Immovable Asset Management: Payment of Rates and Taxes	
	Households	
	Employee Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	3. Transport Infrastructure	1,975,590
	Aim: To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Public corporations and private enterprises	
	Households	
	Of which	
	* - Mechanical - Transfer to municipalities: Operations	
	Households	
	Of which	
	Employee Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* Provincial Road Maintenance Grant	
	4. Expanded Public Works Programme	606,687
	Aim: To manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme.	
	Compensation of Employees	
	Goods and Services	
	Buildings and other fixed structures	
	Machinery and Equipment	
	Conditional grants	
	* EPWP Integrated Grant for Provinces	
	* Provincial Road Maintenance Grant	

* Specifically and Exclusively Appropriated

No.	Details of Vote		Total per Vote and Main Division
	Title		
			R000
6	Education		31,002,644
	Aim: To implement appropriate and relevant educational programmes through quality teaching and learning, mobilizing community and stakeholder support through participation as well as institutionalizing a culture of accountability at all levels of the department.		
	1. Administration		2,607,597
	Aim: To provide overall management of the education system in accordance with the National Education Policy Act, and other policies/legislation.		
	Of which		
	Compensation of Employees		
	Goods and Services		
	Non-profit Institutions		
	Of which		
	MECs' intervention in various areas: MEC Discretionary Fund		
	Households		
	Of which		
	Employee Social Benefits: Leave gratuities		
	Machinery and Equipment		
	Software and other Intangible Assets		
	2. Public Ordinary School Education		24,862,261
	Aim: To provide for public ordinary schools from Grades 1 to 12, in accordance with current legislation.		
	Of which		
	Compensation of Employees		
	Goods and Services		
	Non-profit Institutions		
	Of which		
	* - Section 20, Section 21 Schools: Transfer payments operations		
	* - NSNP Conditional Grant		
	Households		
	Of which		
	Employee Social Benefits: Leave gratuities		
	Machinery and Equipment		
	Software and other intangible assets		
	Conditional grants		
	* National School Nutrition Programme Grant		
	* Maths, Science and Technology (MST)		
	* Social Sector EPWP Incentive Grant for Provinces		
	* EPWP Integrated Grant for Provinces		
	3. Independent Schools		120,000
	Aim: To support independent schools in accordance with the South African Schools Act.		
	Of which		
	Non-profit Institutions		
	Of which		
	* - Independent School Subsidies to Primary Schools: Norms and standards allocations to Independent schools		
	* - Independent School Subsidies to Secondary Schools: Norms and standards allocations to Independent schools		
	4. Public Special Schools		690,280
	Aim: To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education, including e-learning and inclusive education.		
	Of which		
	Compensation of Employees		
	Goods and Services		
	Non-profit Institutions		
	Of which		
	* - Transfers to Special Schools: Operations		
	Households		
	Of which		
	Employee Social Benefits: Leave gratuities		
	Machinery and Equipment		
	5. Early Childhood Development		630,961
	Aim: To provide Early Childhood Development (ECD) at the Grade R and pre-grade R in accordance with White Paper 5, e-learning is also included.		
	Of which		
	Compensation of Employees		
	Goods and Services		
	Non-profit Institutions		
	Of which		
	* - Transfers to Early Childhood Development: Grade R in Public Schools		
	* - Transfers to Early Childhood Development: Pre Grade R Training		
	6. Infrastructure Development		1,714,493
	Aim: To provide and maintain infrastructure facilities for schools and non-schools.		
	Of which		
	Compensation of Employees		
	Goods and Services		
	Buildings and other Fixed Structures		
	Conditional grants		
	* Education Infrastructure Grant		

Details of Vote		
No.	Title	Total per Vote and Main Division R'000
	7. Examination and Education Related Services	377,052
	Aim: To provide education institutions as a whole with examination related services.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* Education Training and Development Practices Sector Education Training Authority for training : Operations	
	Non Profit Institutions	
	Of which	
	* Examination Marking Centres: Examination Marking fees	
	Machinery and Equipment	
	Conditional grants	
	* HIV and AIDS (Life Skills Education) Grant	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
7	Co-operative Governance and Traditional Affairs	1,010,156
	Aim: To promote a developmental local state and traditional institutions that are accountable, focused on citizen's priorities; capable of delivering high-quality services consistently and sustainably through cooperative governance and participatory democracy.	
	1. Administration	232,771
	Aim: To provide effective strategic leadership and proficient administration support services to the department.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Households	
	Of which	
	- Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	2. Local Governance	295,658
	Aim: To ensure the transformation of developmental local government by strengthening municipal institutions that will be responsive to the needs of the communities.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Of which	
	* - Mbashe: Access to Voting Stations Funding	
	* - Intsika yethu: Access to Voting Stations Funding	
	* - Sakhisizwe: Access to Voting Stations Funding	
	* - Elundini: Access to Voting Stations Funding	
	* - Ingquza Hill: Access to Voting Stations Funding	
	* - Nyandeni: Access to Voting Stations Funding	
	* - King Sabata Dalinyebo: Access to Voting Stations Funding	
	* - Matatiele: Access to Voting Stations Funding	
	* - Ntabankulu: Access to Voting Stations Funding	
	* - Umzimvubu: Access to Voting Stations Funding	
	* - Maletswai: Payment of ESKOM debt	
	* - Inxuba: Payment of ESKOM debt	
	* - Garies: Payment of ESKOM debt	
	* - Ikhwezi: Payment of ESKOM debt	
	* - Port St Johns: Improvement of Audit Outcomes	
	* - Sundays River: Improvement of Audit Outcomes, Revenue enhancement strategy and institutional capacity	
	* - Inxuba Yethemba: Improvement of Audit Outcomes	
	* - Ikwezi: Improvement of Audit Outcomes	
	3. Development and Planning	156,906
	Aim: To render support services regarding integrated planning development in municipalities.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Local government	
	Buildings and other fixed structures	
	Machinery and equipment	
	Provinces and Municipalities	
	Of which	
	* - Chris Hani District Municipality: Water intervention and provision of bulk services	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Software and other intangible assets	
	Conditional grants	
	* EPWP Integrated Grant for Provinces	
	4. Traditional Institutional Management	299,510
	Aim: To support and capacitate institutions of traditional leadership to effectively perform their statutory and customary obligations.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Households	
	Of which	
	- Employee Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	5. House of Traditional Leaders	25,312
	Aim: To promote and improve the effective and efficient functioning of the Eastern Cape House of Traditional Leaders as well as the Local Houses.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
8	Rural Development and Agrarian Reform	2,209,319
	<i>Aim: To promote, support and coordinate Rural Development and Agrarian Reform interventions to reduce poverty and underdevelopment through job creation, integrated food security programmes, and equitable participation in development by all rural communities.</i>	
	1. Administration	452,596
	<i>Aim: To manage and formulate policy directives and priorities and, to ensure there is appropriate support service to all other programmes with regard to finance, personnel, information, communication and procurement.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	* Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	Payments for Financial Assets	
	2. Sustainable Resources Management	119,566
	<i>Aim: To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	Conditional grants	
	* Land Care Programme : Poverty Relief and Infrastructure Development	
	* EPWP Intergrated Grant for Provinces	
	3. Farmer Support and Development	800,165
	<i>Aim: To provide support to farmers through agricultural development programmes.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* - Communities (Macacademia): Subsidy for operational costs	
	Buildings and Other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* Comprehensive Agricultural Support Programme (CASP) Extention Recovery Plan (ERP)	
	* Ilima / Letsema Projects Grants	
	4. Veterinary Services	296,053
	<i>Aim: To provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of South Africans.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	5. Research & Technology Development Services	175,707
	<i>Aim: To provide expert and needs based research, development and technology transfer sevicees impacting on development objectives.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* - Agric National Marketing Council: Subsidy	
	Buildings and Other Fixed Structures	
	Machinery and Equipment	
	Biological Assets	
	Conditional grants	
	* Comprehensive Agricultural Support Programme (CASP)	
	6. Agricultural Economics Services	34,943
	<i>Aim: To provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* - Communities (Magwa): Subsidy	
	* - Communities(Majola): Subsidy	
	Machinery and Equipment	

No.	Details of Vote Title	Total per Vote and Main Division R000
	7. Structured Agricultural Education and Training	151,757
	Aim: To facilitate and provide structured agricultural education and training in line with the Agricultural Education and Training Strategy to all participants in the agricultural sector in order to establish a knowledgeable, prosperous and competitive sector.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Non-profit Institutions	
	Of which	
	* - Fort Cox College: Subsidy	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* Comprehensive Agricultural Support Programme (CASP) Colleges	
	8. Rural Development Coordination	178,532
	Aim: To develop, plan, and monitor rural development coordination of the various departments and organise social facilitation in relation to community priorities and organisational structures.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* - Eastern Cape Rural Development Agency: Subsidy	
	Non-profit Institutions	
	Of which	
	- Fort Hare: Subsidy	
	Machinery and Equipment	
	* Specifically and Exclusively Appropriated	

Details of Vote		
No.	Title	Total per Vote and Main Division
		R000
9	Economic Development, Environmental Affairs and Tourism	1,147,490
	<i>Aim: To lead economic and environmental management in the Eastern Cape.</i>	
	1. Administration	213,367
	<i>Aim: To provide leadership and strategic management in accordance with legislation, regulations and policies and ensure appropriate support service to all other programmes.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	2. Economic Development and Tourism	627,725
	<i>Aim: To promote and administer sustainable economic development and job creation.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	<i>Including:</i>	
	* - Coega Development Corporation: Social Infrastructure	
	Provinces and Municipalities	
	<i>Of which</i>	
	* - District Municipalities: Small town revitalisation projects	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* - Eastern Cape Development Corporation: Trade and Investment Promotion	
	* - Eastern Cape Development Corporation: Non-financial Support to SMME's	
	* - Eastern Cape Development Corporation: Eastern Cape Tooling Initiative	
	* - Eastern Cape Development Corporation: Automotive Industry Development Centre	
	* - Eastern Cape Development Corporation: High impact projects	
	* - Eastern Cape Development Corporation: Job Stimulus Fund: Incentives for Distressed Industries	
	* - Eastern Cape Development Corporation: Invaba Fund: Grant for Co-ops	
	* - East London Industrial Development Zone: Operations	
	* - Eastern Cape Liquor Board: Operations	
	* - Eastern Cape Gambling and Betting Board: Operations	
	Higher Education Institutions	
	<i>Of which</i>	
	* - Nelson Mandela Metropolitan University: Shale Gas Exploration projects	
	* - Nelson Mandela Metropolitan University: To incentivise research program	
	* - Fort Hare (Emerging Views Platform): To incentivise research program	
	Public Corporations and Private Enterprises	
	<i>Of which</i>	
	Transfers to Beneficiaries	
	* - Chemin Incubation projects	
	Buildings and other fixed structures	
	<i>Of which</i>	
	* - Coega Development Corporation: Social Infrastructure	
	Machinery and equipment	
	3. Environmental Affairs	306,397
	<i>Aim: To administer environmental policies that are cascaded from national level in line with the mandate of the department. It regulates environmental management through instruments such as the environmental impact assessments, compliance and enforcement, air quality, waste and biodiversity management tools.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* - Eastern Cape Parks and Tourism Agency: Operations	
	Non-profit Institution	
	Machinery and equipment	
	Conditional grants	
	* EPWP Intergrated Grant for Provinces	

* Specifically and Exclusively Appropriated

Details of Vote		Total per Vote and Main Division
No.	Title	
		R000
10	Transport	1,750,698
	<i>Aim: To provide, facilitate, develop, regulate and enhance a safe, affordable and reliable multi-modal transport system which is integrated with land uses to ensure optimal mobility of people and goods in support of socio-economic growth and development in the province of the Eastern Cape.</i>	
	1. Administration	312,518
	<i>Aim: To provide the Department with the overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	2. Transport Infrastructure	14,877
	<i>Aim: To plan for the provision of transport services, facilities and infrastructure including provision of support and co-ordination of the Integrated Transport Planning at the local sphere.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	3. Transport Operations	1,077,129
	<i>Aim: To plan, regulate and facilitate the provision of public transport services and infrastructure through own provincial resources and through cooperation with local authorities, as well as the private sector in order to enhance the mobility of all communities.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Public Corporations and Private Enterprises	
	<i>Of which</i>	
	* -Transfers to Mayibuye: Transfers for Subsidy	
	* -Transfers to Mayibuye: Transfers for Subsidy	
	* -Transfers to Algoa Bus Company: Transfers for Subsidy	
	* -Transfers to AB350: Transfers for Subsidy	
	Departmental Agencies and Accounts	
	<i>Of which</i>	
	* -Transfers to South African National Taxi Council	
	Households	
	<i>Of which</i>	
	Employee Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* Public Transport Operations Grant	
	4. Transport Regulation	302,845
	<i>Aim: To ensure adequate road safety engineering on provincial roads and ensure that all vehicles registered in the province are licenced each year and that all drivers are appropriately authorised to drive their vehicles while also promoting road safety awareness.</i>	
	<i>Of which</i>	
	Compensation of employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	Employee Social Benefits: Leave gratuities	
	Machinery and Equipment	
	Conditional grants	
	* EPWP Integrated Grant for Provinces	
	5. Community Based Programmes	43,329
	<i>Aim: To ensure delivery of accessible services through intergrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the province by way of community development programmes</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
11	Human Settlements	2,349,036
	<i>Aim: To facilitate and co-ordinate the provision of quality, integrated and sustainable human settlement that offer our communities a better living environment.</i>	
	1. Administration	136,743
	<i>Aim: To provide overall management in the department in accordance with all applicable Acts and policies.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	-Employees Social Benefits: Leave gratuities	
	Machinery and Equipment	
	2. Housing Needs, Research and Planning	19,270
	<i>Aim: To facilitate and undertake housing delivery planning.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	-Employees Social Benefits: Leave gratuities	
	Machinery and Equipment	
	3. Housing Development	2,182,494
	<i>Aim: To provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Interest and rent on land	
	Provinces and Municipalities	
	Households	
	<i>Of which</i>	
	-Employees Social Benefits: Leave gratuities	
	* -Human Settlements Development Grant: Indirect Grant	
	Machinery and Equipment	
	Payments for financial assets	
	Conditional grants	
	* Human Settlement Development Grant	
	* EPWP Integrated Grant for Provinces	
	4. Housing Asset Management	10,529
	<i>Aim: To provide for the effective management of housing.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Households	
	<i>Of which</i>	
	-Employees Social Benefits: Leave gratuities	
	Machinery and Equipment	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
12	Provincial Treasury	1,034,013
	Aim: To provide strategic and technical leadership in the allocation, management and utilisation of financial resources in order to improve the quality of life in the province.	
	1. Administration	144,331
	Aim: To provide leadership and strategic management and appropriate support services to all other programmes.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* - South African Broadcasting Corporation : Radiion and television licences	
	* - Public Service Sector Education and Training Authority: Skills development	
	* - SETA for Finance, Accounting, Management Consulting and other Financial Services: Skills development	
	Households	
	Of which	
	Employees Social Benefits: Leave gratuities	
	Bursaries to non-employees: studies in finance and economics	
	Machinery and Equipment	
	2. Sustainable Resource Management	59,087
	Aim: To manage the Provincial Government's fiscal resources effectively	
	Of which	
	Compensation of Employees	
	Goods and Services	
	3. Asset and Liabilities Management	22,351
	Aim: To provide policy direction, promote and enforce transparency and effectiveness of Supply Chain management and Asset Management in the province.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	4. Financial Governance	92,529
	Aim: To promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Households	
	Of which	
	Employees Social Benefits: Leave gratuities	
	5. Municipal Financial Governance (MFG)	715,675
	Aim: To provide support to the achievement of sound and sustainable financial management at municipal level through the provision of technical support, and capacity building in the following areas: budgeting, accounting practices, supply chain management, asset management, governance, as well as MFMA compliance.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Of which	
	* - Municipal Social Infrastructure Interventions : Municipalities	
	Departmental Agencies and Accounts	
	Of which	
	Municipal Social Infrastructure Interventions	
	* Specifically and Exclusively Appropriated	

Details of Vote		
No.	Title	Total per Vote and Main Division R000
14	Sport, Recreation, Arts and Culture <i>Aim: To develop and promote sport, recreation, arts and culture for spiritual, intellectual, physical and material advancement of the people of the Eastern Cape.</i>	843,698
	1. Administration <i>Aim: To provide political leadership and administrative support to the department and to provide an enabling environment to the strategic direction in interpreting the political mandate and adjudicate the proactive approach in building cohesive inter-governmental relations.</i>	254,984
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* -Facilitation of public funds for job creation initiatives: CATHSETA	
	Households	
	Of which	
	-Employees Social Benefits: Leave gratuities	
	Buildings and other fixed structures	
	Machinery and Equipment	
	Conditional grants	
	* EPWP Intergrated Grant for Provinces	
	* Social Sector EPWP Incentive Grant for Provinces	
	2. Cultural Affairs <i>Aim: Responsible for actualizing and maximizing the preservation, conservation, promotion and development of arts and culture, museums and heritage and the provision of language services.</i>	165,093
	Of which	
	Compensation of Employees	
	Goods and Services	
	Departmental Agencies and Accounts	
	Of which	
	* -Eastern Cape Provincial Arts and Culture Council: Promotion of Arts and Culture	
	Non-profit Institutions	
	Of which	
	* -Grahamstown Foundation: National arts festival	
	* -Guild Theatre: Promotion of Arts and Culture	
	* -Opera House: Promotion of Arts and Culture	
	* -Fort Hare Foundation: Promotion of Arts and Culture	
	* -Fort Beaufort Museum: Operations	
	* -Graaf Reinet Museum: Operations	
	* -Our Heritage Museum: Operations	
	* -Burgersdorp Museum: Operations	
	* -Barkly East Museum: Operations	
	* -Bayworld Museum: Operations	
	* -Amathole Museum: Operations	
	* -Uitenhage Museum: Operations	
	* -East London Museums: Operations	
	* -Albany Museum: Operations	
	* -Queenstown Frontier Museum: Operations	
	* -Somerset East Museum: Operations	
	* -Great Fish River Museum: Operations	
	* -Mhatha Museum: Operations	
	* -Sterkstroom Museum: Operations	
	* -Wild Coast Museum: Operations	
	* -Mt. Ayiff Museum: Operations	
	Building and other Fixed Structures	
	Machinery and Equipment	

Details of Vote		Total per Vote and Main Division
No.	Title	R000
	3. Library and Archive Services	227,163
	Aim: To promote access to information, developing and sustaining a reading culture, regularising good records keeping and preservation of provincial heritage and social memory.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Provinces and Municipalities	
	Of which	
	* Nelson Mandela Metro: Funding operations of libraries	
	* Amathlath: Funding operations of libraries	
	* Baviaans: Funding operations of libraries	
	* Blue Crane Route: Funding operations of libraries	
	* Buffalo City: Funding operations of libraries	
	* Camdeboo: Funding operations of libraries	
	* Elundini: Funding operations of libraries	
	* Emalaheni: Funding operations of libraries	
	* Engcobo: Funding operations of libraries	
	* Gariep: Funding operations of libraries	
	* Great Kei: Funding operations of libraries	
	* Ikwezi: Funding operations of libraries	
	* Inguzza: Funding operations of libraries	
	* Inkwanca: Funding operations of libraries	
	* Intsika Yethu: Funding operations of libraries	
	* Inxuba Yethemba: Funding operations of libraries	
	* King Sabata Dalindyebo: Funding operations of libraries	
	* Kouga: Funding operations of libraries	
	* Koukamma: Funding operations of libraries	
	* Lukhanji: Funding operations of libraries	
	* Makana: Funding operations of libraries	
	* Maletswai: Funding operations of libraries	
	* Matatiele: Funding operations of libraries	
	* Mbashe: Funding operations of libraries	
	* Mbizana: Funding operations of libraries	
	* Mhlonito: Funding operations of libraries	
	* Ndabeni: Funding operations of libraries	
	* Ngqushwa: Funding operations of libraries	
	* Nkomkobe: Funding operations of libraries	
	* Ntabankulu: Funding operations of libraries	
	* Nxuba: Funding operations of libraries	
	* Nyandeni: Funding operations of libraries	
	* Port St Johns: Funding operations of libraries	
	* Sakizwe: Funding operations of libraries	
	* Senqu: Funding operations of libraries	
	* Sundays River Valley: Funding operations of libraries	
	* Tsolwana: Funding operations of libraries	
	* Umzimvubu: Funding operations of libraries	
	Households	
	Of which	
	* South African Library for the Blind: Operations	
	* Employees Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	* Community Library Services Grant	
	4. Sport and Recreation	176,458
	Aim: Aimed at developing, promoting and coordinating sport and recreation activities in the province.	
	Of which	
	Compensation of Employees	
	Goods and Services	
	Non-profit Organizations	
	Of which	
	* Sport Federations: Funding of Eastern Cape Sports Council for tournaments	
	Households	
	Of which	
	* Employees Social Benefits: Leave gratuities	
	Buildings and other Fixed Structures	
	Machinery and Equipment	
	Conditional grants	
	Mass Participation and Sport Development Grant	
	* Specifically and Exclusively Appropriated	

Details of Vote		Total per Vote and Main Division
No.	Title	R'000
15	Safety and Liaison	89,273
	<i>Aim: To make the Eastern Cape the leading province in providing a safe and secure environment that supports growth and development through liaison with the relevant stakeholders.</i>	
	1. Administration	
	<i>Aim: To promote good governance and administrative support to the department.</i>	48,515
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	2. Civilian Oversight	40,758
	<i>Aim: To exercise oversight function with regards to law enforcement agencies in the province.</i>	
	<i>Of which</i>	
	Compensation of Employees	
	Goods and Services	
	Machinery and Equipment	
	Conditional grants	
	* Social Sector EPWP Incentive Grant for Provinces	
	Total for all Votes	68,590,933

* Specifically and Exclusively Appropriated

LOCAL AUTHORITY NOTICES • PLAASLIKE OWERHEIDS KENNISGEWINGS

LOCAL AUTHORITY NOTICE 72 OF 2016**Municipal Notice****Mbizana Municipality****Resolution Levying Property Rates for the financial year 1 July 2016 to 30 June 2017**

Notice is hereby given in terms of the section 14(1) and (2) of the local government: Municipality Property Rates Act, 2004, which the council resolved by way of council resolution, to levy the rates on property reflected in the table below with effect from July 01, 2016. The municipality has not been immune to the adverse economic conditions that are currently experienced throughout the country. These conditions have been taken into consideration as the tariffs were being set and all the input costs that go into providing the specific services.

Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. In determining the tariff, the municipality has considered the values of properties on which the municipality will levy rates, the amounts desirable from rates for budget purposes, and the historic tariffs of the previous financial years.

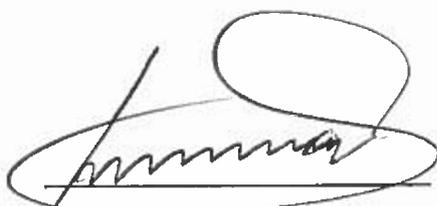
The Property Rates policy is one of the most important documents that we utilize in the determination of property rates. It should be kept in mind though that the Municipal Property Rates Act remains the reference point for this policy.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R40 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy. This is maintained from the previous financial year as there has not been any significant changes to the values of the properties;
- Details of further rebates and reductions are provided in the municipality's Property Rates Policy and the Indigent Policy.

Comparison of proposed rates to be levied for the 2016/17 financial year

CATEGORY	CENT AMOUNT IN THE RAND RATE		
	2016/17	2017/18	2018/9
	c/R	c/R	c/R
Residential	0,0060	0,0060	0,0060
Business And Commercial	0,0090	0,0090	0,0090
State Owned	0,0120	0,0120	0,0120
Vacant Land	0,0072	0,0072	0,0072



Mr.L.Mahlaka
Municipal Manager

LOCAL AUTHORITY NOTICE 73 OF 2016

MBIZANA LOCAL MUNICIPALITY



PROPERTY RATES POLICY

2016/2017

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15****INDEX**

	<u>Page</u>
1. LEGISLATIVE CONTEXT	2
2. DEFINITIONS	2
3. POLICY PRINCIPLES	6
4. SCOPE OF THE POLICY	7
5. APPLICATION OF THE POLICY	7
7. CATEGORIES OF PROPERTY	8
8. CATEGORIES OF OWNERS	8
9. PROPERTIES USED FOR MULTIPLE PURPOSES	9
10. DIFFERENTIAL RATING	9
11. EXEMPTIONS AND IMPERMISSIBLE RATES	9
12. REDUCTIONS	12
13. REBATES	12
14. PAYMENT OF RATES	15
15. ACCOUNTS TO BE FURNISHED	16
16. PHASING IN OF RATES	17
17. FREQUENCY OF VALUATION	17
18. COMMUNITY PARTICIPATION	18
19. REGISTER OF PROPERTIES	18
20. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY	19
21. REGULAR REVIEW PROCESSES	19
22. ENFORCEMENT/IMPLEMENTATION AND ENQUIRIES	19

MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15

MBIZANA LOCAL MUNICIPALITY

PROPERTY RATES POLICY

1. LEGISLATIVE CONTEXT

- 1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004), which specifically provides that a municipality must adopt a Rates Policy.
- 1.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 1.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) a municipality in accordance with-
- a. Section 2(1), may levy a rate on property in its area; and
 - b. Section 2(3), must exercise its power to levy a rate on property subject to-
 - i. Section 229 and any other applicable provisions of the Constitution;
 - ii. the provisions of the Property Rates Act and the regulations promulgated in terms thereof; and
 - iii. the rates policy.
- 1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.
- 1.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.
- 1.6 This policy must be read together with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) and any regulations promulgated in terms thereof.

2. DEFINITIONS

- 2.1 "Act" means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
- 2.2 "Agent", in relation to the owner of a property, means a person appointed by the owner of the property-
- (a) to receive rental or other payments in respect of the property on behalf of the owner; or
 - (b) to make payments in respect of the property on behalf of the owner;
- 2.3 "Agricultural purpose" in relation to the use of a property, includes the use (of a property for the purpose of eco-tourism or for the trading in or hunting of game);

MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15

- 2.4 "Annually" means once every financial year;
- 2.5 "Category"
- (a) in relation to property, means a category of properties determined in terms of Section 7; and
 - (b) in relation to owners of properties, means a category of owners determined in terms of Section 8.
- 2.6 "Child-headed household" means a household where the main caregiver of the said household is younger than 18 years of age. Child-headed household means a household headed by a child as defined in the section 28(3) of the Constitution.
- 2.7 "Definitions, words and expressions" as used in the Act are applicable to this policy document where ever it is used;
- 2.8 "Industrial Development Zone" is part of The South African Industrial Development Zone Programme, national government's strategy to position the country within the global economy. The aim is to encourage international competitiveness and sustainable economic growth through strategic investments in export manufacturing industries. The Industrial Development Zones (IDZs) are purpose-built industrial estates, linked to an international port or airport, which have been specifically designated for new investment by export oriented industries and related services. Companies established in an IDZ remain subject to all relevant South African legislation but qualify for an attractive range of industrial and support benefits, including investment incentives offered by government.
- 2.9 "Land reform beneficiary", in relation to a property, means a person who -
- (a) acquired the property through -
 - (i) the Provision of Land and Assistance Act No. 126 of 1993; or
 - (ii) the Restitution of Land Rights Act No. 22 of 1994;
 - (b) holds the property subject to the Communal Property Associations Act No 28 of 1996;
 - (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after this Act has taken effect;
- 2.10 "Land tenure right" means an old order right or a new order right as defined in section 1 of the Communal Land Rights Act, 2004;
- 2.11 "Municipality" means the Municipality of Mbizana;
- 2.12 "Newly Rateable property" means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding –

MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15

-
- (a) a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and
 - (b) a property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified;

2.13 "Owner"-

- (a) in relation to a property referred to in paragraph (a) of the definition of "property", means a person in whose name ownership of the property is registered;
- (b) in relation to a right referred to in paragraph (b) of the definition of "property", means a person in whose name the right is registered;
- (c) in relation to a land tenure right referred to in paragraph (c) of the definition of "property", means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
- (d) in relation to public service infrastructure referred to in paragraph (d) of the definition of "property", means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of "publicly controlled", provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:-
 - (i) a trustee, in the case of a property in a trust excluding state trust land;
 - (ii) an executor or administrator, in the case of a property in a deceased estate;
 - (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in
 - (iv) a judicial manager, in the case of a property in the estate of a person under
 - (v) a curator, in the case of a property in the estate of a person under curatorship;
 - (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
 - (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
 - (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

2.14 "Property" means -

- (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- (d) public service infrastructure.

2.15 "Protected area" means an area that is or has to be listed in the register referred to in section 10 of the Protected Area Act;

MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15

- 2.16 **“Protected Areas Act”** means the National Environmental Management: Protected Areas Act, 2003;
- 2.17 **“Public service infrastructure”** means publicly controlled infrastructure of the following kinds:
- (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
 - (b) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
 - (c) power stations, power substations or power lines forming part of an electricity scheme serving the public;
 - (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;
 - (e) railway lines forming part of a national railway system;
 - (f) communication towers, masts, exchanges or lines forming part of a communications system serving the public;
 - (g) runways or aprons at national or provincial airports;
 - (h) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;
 - (i) any other publicly controlled infrastructure as may be prescribed; or
 - (j) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);
- 2.18 **“Residential property”** means improved property that:-
- (a) is used predominantly (60% or more) for residential purposes including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes.
 - (b) Is a unit registered in terms of the Sectional Title Act and used predominantly for residential purposes.
 - (c) Is owned by a share-block company and used solely for residential purposes.
 - (d) Is a residence used for residential purposes situated on property used for or related to educational purposes.
 - (e) Retirement schemes and life right schemes used predominantly (60% or more) for residential purposes.

And specifically exclude hostels, flats, old age homes, guest houses and vacant land irrespective of its zoning or intended use.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

- 2.19 “Rural communal settlements” means the residual portion of rural communal land excluding identifiable and rateable entities within the property and excluding State Trust Land and land reform beneficiaries as defined in the Act.
- 2.20 “Special State Owned Properties” properties that are owned by National and Provincial Government, used for public benefit purposes and as a rule do not trade regularly in a four year valuation cycle.
- 2.21 “state trust land” means land owned by the state-
- (a) in trust for persons communally inhabiting the land in terms of a traditional system of land tenure;
 - (b) over which land tenure rights were registered or granted; or
 - (c) which is earmarked for disposal in terms of the Restitution of Land Rights.
- 2.22 “Vacant land” means land where no immovable improvements have been erected.

3. POLICY PRINCIPLES

- 3.1 Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality’s valuation roll and supplementary valuation roll.
- 3.2 As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property as contemplated in clause 7 and 8 of this policy. Some categories of property and categories of owners are granted relief from rates. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis.
- 3.3 There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation and in accordance with clause 16 of this policy.
- 3.4 In accordance with section 3(3) of the Act, the rates policy for the municipality is based on the following principles:
- (a) Equity
The municipality will treat all ratepayers with similar properties the same.
 - (b) Affordability
The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions, rebates and cross subsidy from the equitable share allocation.
 - (c) Sustainability
Rating of property will be implemented in a way that:

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- i. it supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality;
 - ii. Supports local, social and economic development; and
 - iii. Secures the economic sustainability of every category of ratepayer.
- (d) Cost efficiency
Rates will be based on the value of all rateable property and will be used to fund community and subsidised services after taking into account surpluses generated on economic (refuse removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. SCOPE OF THE POLICY

- 4.1 This policy document guides the annual setting (or revision) of property rates tariffs. It does not necessarily make specific property rates tariff proposals. Details pertaining to the applications of the various property rates tariffs are annually published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

5. APPLICATION OF THE POLICY

- 5.1 In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. PRINCIPLES APPLICABLE TO FINANCING OF SERVICES

- 6.1 The municipal manager or his/her nominee must, subject to the guidelines provided by the National Treasury and Executive Committee of the municipality, make provision for the following classification of services:-
- (a) Economic services
 - i. Refuse removal.
 - (b) Community and subsidised services

These include all those services ordinarily being rendered by the municipality excluding those mentioned in 6.1 (a).
- 6.2 Economic services as referred to in clause (a) must be ring fenced and financed from service charges while community and subsidised services referred to in clause (b) will be financed from surpluses on trading and economic services, regulatory fees, rates and rates related income.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

7. CATEGORIES OF PROPERTY

- 7.1 Different rates may be levied in respect of the following categories of rateable properties and such rates will be determined on an annual basis during the compilation of the annual budget:-
- 7.1.1 Residential properties;
 - 7.1.2 Industrial properties;
 - 7.1.3 Business properties;
 - 7.1.4 Agricultural properties;
 - 7.1.5 Small Holdings;
 - 7.1.6 State owned properties;
 - 7.1.7 Municipal properties;
 - 7.1.8 Public service infrastructure referred to in the Act;
 - 7.1.9 Properties owned by Public Benefit Organisations;
 - 7.1.10 Churches;
 - 7.1.11 Educational;
 - 7.1.12 Vacant Stands.
- 7.2 In determining the category of a property referred to in 7.1 the municipality shall take into consideration the dominant use of the property, regardless the formal zoning of the property.
- 7.3 Properties used for multiple purposes shall be categorised and rated as provided for in section 9 of the Act and as more fully described in clause 9 of this policy.

8. CATEGORIES OF OWNERS

- 8.1 For the purpose of granting exemptions, reductions and rebates in terms of clause 11, 12 and 13 respectively the following categories of owners of properties are determined:-
- (a) Those owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality;
 - (b) Those owners who do not qualify as indigents in terms of the adopted indigent policy of the municipality but whose total monthly income is less than the amount annually determined by the municipality in its budget;
 - (c) Owners of property situated within an area affected by-

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

- i. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - ii. serious adverse social or economic conditions.
- (d) Owners of residential properties with a market value below the amount as determined annually by the municipality in its budget; and
- (e) Owners of agricultural properties as referred to in clause 13.1 (b).
- (f) Child headed families where any child of the owner or child who is a blood relative of the owner of the property, is responsible for the care of siblings or parents of the household.

9. PROPERTIES USED FOR MULTIPLE PURPOSES

- 9.1 Rates on properties used for multiple purposes will be levied in accordance with the "dominant use of the property".

10. DIFFERENTIAL RATING

- 10.1 Criteria for differential rating on different categories of properties will be according to:-
- (a) The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
 - (b) The promotion of social and economic development of the municipality.
- 10.2 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category; and
- 10.3 by way of reductions and rebates as provided for in this policy document.

11. EXEMPTIONS AND IMPERMISSIBLE RATES

- 11.1 The following categories of property are exempted from rates:-

(a) Municipal properties

Municipal properties are exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers. However, where municipal properties are leased, the lessee will be responsible for the payment of determined assessment rates in accordance with the lease agreement.

(b) Residential properties

All residential properties with a market value of less than the amount as annually determined by the municipality are exempted from paying rates. For the 2014/2015 financial year the maximum reduction is determined as R55 000. The impermissible rates of R15 000 contemplated in terms of section 17(1) (h) of the Property Rates Act is included in the amount referred to above as annually determined by the municipality. The remaining R20 000 is an important part of the council's indigent policy and is aimed primarily at alleviating poverty.

MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15

(c) Public Service Infrastructure

Is exempted from paying rates as allowed for in the Act as they provide essential services to the community.

(d) Right registered against a property

Any right registered against a property as defined in clause 2.14(b) of this policy is exempted from paying rates.

(e) Properties exempted in terms of Section 7(2) of the Act

In accordance with section 7(2) of the Act all non urban residential properties is exempted from paying rates for the 2012/2013 financial year. However, state owned property identified within this area such as schools, clinics, police stations, etc will be valued and levied accordingly. These state owned properties should be surveyed and have title deeds as a strict condition, otherwise they will also be exempt.

11.2 Exemptions in clause 11.1 will automatically apply and no application is thus required.

11.3 Impermissible Rates: In terms of section 17(1) of the Property Rates Act the municipality may, inter alia, not levy a rate:-

- (a) On those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, or residential agricultural purposes.
- (b) On mineral rights within the meaning of paragraph (b) of the definition of "property" in section 1 of the Act.
- (c) On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
- (d) On a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

11.4 Public Benefit Organisations (PBO's)

Taking into account the effects of rates on PBOs performing a specific public benefit activity and registered in terms of the Income Tax Act, 1962 (No 58 of 1962) for tax reduction because of those activities, Public Benefit Organizations may apply for the exemption of property rates. Public Benefit Organizations may include, inter alia:-

- (a) *Welfare and humanitarian*
For example PBOs providing disaster relief.
- (b) *Health Care*

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- For example PBO's providing counselling and treatment of persons afflicted with HIV and AIDS including the care of their families and dependents in this regard.
- (c) *Education and development*
For example PBO's providing early childhood development services for pre-school children.
- (d) *Sporting bodies*
Property used by an organization for sporting purposes on a non-professional basis:
- (e) *Cultural institutions*
Property used for purposes declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
- (f) *Museums, libraries, art galleries and botanical gardens*
Property registered in the name of private persons, open to the public and not operated for gain.
- (g) *Animal welfare*
Property owned or used by organizations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.
- (h) *Cemeteries and crematoriums*
Property used for cemeteries and crematoriums.
- (i) *Welfare institutions*
Properties used exclusively as an orphanage, non-profit retirement villages, old age homes or benevolent/charitable institutions, including workshops used by the inmates, laundry or cafeteria facilities; provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.
- (j) *Charitable institutions*
Property owned or used by institutions or organizations whose aim is to perform charitable work on a not-for-gain basis.
- 11.5 All possible benefiting organisations in clause 11.4 must apply annually for exemptions. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the exemption applied for is granted the exemption will apply for the full financial year.
- 11.6 Public benefit organisations must attach a SARS tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962) to all applications.
- 11.7 The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.
- 11.8 The extent of the exemptions implemented in terms of clauses 11.1 to 11.4 must annually be determined by the municipality and included in the annual budget.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15****12. REDUCTIONS**

12.1 Reductions as contemplated in section 15 of the Act will be considered on an *ad-hoc* basis in the event of the following:-

12.1.1 Partial or total destruction of a property.

12.1.2 Disasters as defined in the Disaster Management Act, 2002 (Act 57 of 2002).

12.2 The following conditions shall be applicable in respect of clause 12.1:-

12.2.1 The owner referred to in clause 12.1.1 shall apply in writing for a reduction and the onus will rest on such applicant to prove to the satisfaction of the municipality that his property has been totally or partially destroyed. He/ she will also have to indicate to what extent the property can still be used and the impact on the value of the property.

12.2.2 Property owners will only qualify for a rebate if affected by a disaster as referred to in the Disaster Management Act, 2002 (Act No. 57 of 2002).

12.2.3 A maximum reduction to be determined on an annual basis shall be allowed in respect of both clauses 12.1.1 and 12.1.2. For the 2012/2013 financial year the maximum reduction is determined as 80%.

12.2.4 An *ad-hoc* reduction will not be given for a period in excess of 6 months, unless the municipality gives further extension on application.

12.2.5 If rates were paid in advance prior to granting of a reduction the municipality will give credit to such an owner as from the date of reduction until the date of lapse of the reduction or the end of the period for which payment was made whichever occurs first.

13. REBATES**13.1. Categories of property****(a) Business, commercial and industrial properties**

i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction. The following criteria will apply:-

- a. job creation in the municipal area;
- b. social upliftment of the local community; and
- c. creation of infrastructure for the benefit of the community.

ii. A maximum rebate as annually determined by the municipality will be granted on approval, subject to:-

- a. a business plan issued by the directors of the company indicating how the local, social and economic development objectives of the municipality are going to be met;

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- b. a continuation plan issued by the directors and certified by auditors of the company stating that the objectives have been met in the first year after establishment and how the company plan to continue to meet the objectives; and
 - c. an assessment by the municipal manager or his/her nominee indicating that the company qualifies.
- iii. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year.

(b) Agricultural property rebate

- i. When considering the criteria to be applied in respect of any exemptions, rebates and reductions on any properties used for agricultural purposes the municipality must take into account:-
 - a. the extent of rates related services rendered by the municipality in respect of such properties.
 - b. the contribution of agriculture to the local economy.
 - c. the extent to which agriculture assists in meeting the service delivery and developmental objectives of the municipality; and
 - d. the contribution of agriculture to the social and economic welfare of farm workers.
- ii. In terms of section 84 of the Act the Minister for Provincial and Local Government, and in concurrence with the Minister of Finance as required through section 19 of the Act, may determine that a rate levied by the Council on a category of non residential property may not exceed the ratio to the rate on residential property. In the absence of any such promulgation the municipality will apply the standard ratio for agricultural properties as 1:0.25 (75% rebate on the tariff for residential properties). For the 2009/2010 financial year the minister has promulgated a ratio of 1:0.25 which will remain valid in 2011/2012.
- iii. An additional rebate (based on the total property value) of maximum 10% will be granted by the municipality in respect of the following:-
 - a. 2,5% for the provision of accommodation in a permanent structure to farm workers and their dependants.
 - b. 2,5% if these residential properties are provided with potable water.
 - c. 2,5% if the farmer for the farm workers electrifies these residential properties.
 - d. 2,5% for the provision of land for burial to own farm workers or for educational or recreational purposes to own farm workers as well as people from surrounding farms.
- vi. The granting of additional rebates is subject to the following:-
 - a. All applications must be addressed in writing to the municipality indicating how service delivery and development obligations of the municipality and contribution to the social and economic welfare of farm workers were met. This application will be required as a once off requirement. Any new applications for the 2011/2012 financial year and onwards must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

- If the rebate applied for is granted the rebate will apply for the full financial year and such application again regarded as a once off requirement.
- b. Council reserves the right to send officials or its agents to premises/households receiving relief on annual basis for the purpose of conducting an on-site audit of the details supplied. The onus also rests on recipients to immediately notify Council of any changes in their original application.
 - c. The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.
 - v. No other rebates will be granted to properties that qualify for the agricultural rebate. For the avoidance of doubt, properties that qualify for the agricultural rebate will not be entitled to the residential rate exemption as set out in clause 11.1(b) of this policy.

13.2 Categories of owners

Indigent owners and child headed families will receive a 100% rebate from payment of property tax:-

(a) Indigent owners

Owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality, regardless of the value of the property, will receive a 100% rebate from payment of property tax. If qualifying in terms of the indigent policy this 100% rebate will automatically apply and no further application is thus required by the owner.

(b) Child headed families

- i. Families headed by children will receive a 100% rebate for paying property tax, according to monthly household income. To qualify for this rebate the head of the family must:-
 - a. occupy the property as his/her normal residence;
 - b. not be older than 18 years of age;
 - c. still be a scholar or jobless; and
 - d. be in receipt of a total monthly income from all sources not exceeding an amount to be determined annually by the Municipality. For the 2011/2012 financial year this amount is determined as R3 160 per month.
- ii. The family head must apply on a prescribed application form for registration as a child headed household and must be assisted by the municipality with completion of the application form. If qualifying, this rebate will automatically apply and no further application is thus required.

(c) Retired and Disabled Persons Rate Rebate

- i. Retired and Disabled Persons, not registered as indigents, qualify for special rebates according to monthly household income. To qualify for the rebate a property owner must:-
 - a. occupy the property as his/her normal residence;

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- b. be at least 60 years of age or in receipt of a disability pension from the Department of Welfare and Population Development;
 - c. be in receipt of a total monthly income from all sources as annually determined by the municipality (including income of spouses of owner);
 - d. not be the owner of more than one property; and
 - e. provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement.
- ii. Property owners must apply on a prescribed application form for a rebate as determined by the municipality. Applications must be accompanied by-
 - a. a certified copy of the identity document or any other proof of the owners age which is acceptable to the municipality;
 - b. sufficient proof of income of the owner and his/her spouse;
 - c. an affidavit from the owner;
 - d. if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
 - e. if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.
 - iii. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year. For the 2013/2014 financial year the total monthly income and corresponding rebate is determined as follows:-
 - a. R0 to R2 500 per month - 100%.
 - b. R2 501 to R5 000 per month - 50%.
 - c. R5 001 to R8 000 per month - 20%.
 - iv. The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.
- 13.3 Properties with a market value below a prescribed valuation level of a value to be determined annually by the Municipality may, instead of a rate being determined on the market value, be rated a uniform fixed amount per property.
- 13.4 The extent of the rebates granted in terms of clauses 13.1 and 13.2 must annually be determined by the municipality and included in the annual budget.
- 14. PAYMENT OF RATES**
- 14.1 The rates levied on the properties shall be payable:-
- (a) on a monthly basis; or
 - (b) annually, before 30 September each year.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- 14.2 Ratepayers may choose paying rates annually in one instalment on or before 30 September each year. If the owner of property that is subject to rates, notify the municipal manager or his/her nominee in writing not later than 30 June in any financial year, or such later date in such financial year as may be determined by the municipality that he/she wishes to pay all rates annually, such owner shall be entitled to pay all rates in the subsequent financial year and each subsequent financial year annually until such notice is withdrawn by him/her in a similar manner.
- 14.3 The municipality shall determine the due dates for payments in monthly installments and the single annual payment and this date shall appear on the accounts forwarded to the owner/ tenant/ occupants/ agent.
- 14.4 Rates payable on an annual basis, excluding annual rates levied on state owned properties, will be subject to a discount of 5% if paid in full on or before 30 September of each year.
- 14.5 Interest on arrears rates, whether payable on or before 30 September or in equal monthly installments, shall be calculated in accordance with the provisions of the Credit Control and Debt Collection Policy of the Municipality.
- 14.6 If a property owner who is responsible for the payment of property rates in terms of this policy fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control and Debt Collection By-law of the Municipality.
- 14.7 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act and the Municipality's credit control and debt collection by-law.
- 14.8 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.
- 14.9 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

15. ACCOUNTS TO BE FURNISHED

- 15.1 The municipality will furnish each person liable for the payment of rates with a written account, which will specify:-

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

-
- (i) the amount due for rates payable,
 - (ii) the date on or before which the amount is payable,
 - (iii) how the amount was calculated,
 - (iv) the market value of the property, and
 - (v) rebates, exemptions, reductions or phasing-in, if applicable.

15.2 A person liable for payment of rates remains liable for such payment, whether or not such person has received a written account from the municipality. If the person concerned has not received a written account, he/she must make the necessary enquiries with the municipality.

15.3 In the case of joint ownership the municipality shall consistently, in order to minimise costs and unnecessary administration, recover rates from one of the joint owners only provided that it takes place with the consent of the owners concerned.

16. PHASING IN OF RATES

16.1 The rates to be levied on newly rateable property shall be phased in as explicitly provided for in section 21 of the Act.

16.2 The phasing-in discount on the properties referred to in section 21 shall be as follows:-

- First year : 75% of the relevant rate;
- Second year : 50% of the relevant rate; and
- Third year : 25% of the relevant rate.

16.3 No rates shall be levied on newly rateable properties that are owned and used by organisations conducting activities that are beneficial to the public and that are registered in terms of the Income Tax Act for those activities, during the first year. The phasing-in discount on these properties shall be as indicated below:-

- First year : 100% of the relevant rate;
- Second year : 75% of the relevant rate;
- Third year : 50% of the relevant rate; and
- Fourth year : 25% of the relevant rate.

17. FREQUENCY OF VALUATION

17.1 The municipality shall prepare a new valuation roll at least every 4 (four) years.

17.2 In accordance with the Act the municipality, under exceptional circumstances, may request the MEC for Local Government and Housing in the province to extend the validity of the valuation roll to 5 (five) years.

17.3 Supplementary valuations may be done on a continual basis but at least on an annual basis.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15****18. COMMUNITY PARTICIPATION**

- 18.1 Before the municipality adopts the rates policy, the municipal manager will follow the process of community participation envisaged in chapter 4 of the Municipal Systems Act and comply with the following requirements:-
- 18.1.1 Council must establish appropriate mechanisms, processes and procedures to enable the local community to participate and will provide for consultative sessions with locally recognised community organisations and where appropriate traditional authorities.
 - 18.1.2 Conspicuously display the draft rates policy for a period of at least 30 days (municipality to include period decided on) at the municipality's head and satellite offices, libraries and on the website.
 - 18.1.3 Advertise in the media a notice stating that the draft rates policy has been prepared for submission to council and that such policy is available at the various municipal offices and on the website for public inspection.
 - 18.1.4 Property owners and interest persons may obtain a copy of the draft policy from the municipal offices during office hours at a fee as determined by Council as part of its annual tariffs. Property owners and interest persons are invited to submit written comments or representations to the municipality within the specified period in the notice.
 - 18.1.5 Council will consider all comments and/or representations received when considering the finalisation of the rates policy.
 - 18.1.6 The municipality will communicate the outcomes of the consultation process in accordance with section 17 of the Municipal Systems Act 32 of 2000.

19. REGISTER OF PROPERTIES

- 19.1 The municipality will compile and maintain a register in respect of all properties situated within the jurisdiction of the municipality. The register will be divided into Part A and Part B.
- 19.2 Part A of the register will consist of the current valuation roll of the municipality and will include all supplementary valuations done from time to time.
- 19.3 Part B of the register will specify which properties on the valuation roll or any supplementary valuation roll are subject to:
- i. Exemption from rates in terms of section 15 of the Property Rates Act,
 - ii. Rebate or reduction in terms of section 15,
 - iii. Phasing-in of rates in terms of section 21, and
 - iv. Exclusions as referred to in section 17.
- 19.4 The register will be open for inspection by the public at the municipal main offices during office hours or on the website of the municipality.
- 19.5 The municipality will update Part A of the register during the supplementary valuation process.

**MBIZANA LOCAL MUNICIPALITY
PROPERTY RATES POLICY 2014/15**

19.6 Part B of the register will be updated on an annual basis as part of the implementation of the municipality's annual budget.

20. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY

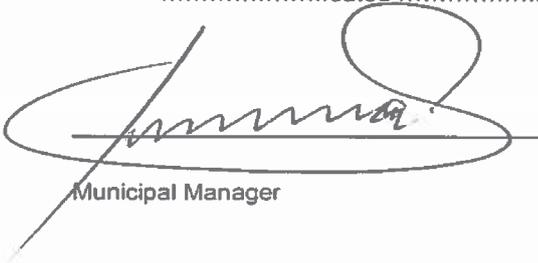
20.1 The municipality will adopt By-laws to give effect to the implementation of the Rates Policy and such By-laws may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.

21. REGULAR REVIEW PROCESSES

21.1 The rates policy must be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives as contained in the Integrated Development Plan and with legislation.

22. ENFORCEMENT/IMPLEMENTATION AND ENQUIRIES

22.1 This policy has been approved by the Municipality in terms of Council resolutiondated and comes into effect on 1 July 2016.



Municipal Manager

Date

Effective date

LOCAL AUTHORITY NOTICE 74 OF 2016

**MBIZANA
LOCAL MUNICIPALITY**



TARIFF POLICY

2016/ 2017

INDEX

1. GENERAL INTRODUCTION AND OBJECTIVE.....	3
2. DEFINITIONS.....	3
3. GENERAL PRINCIPLES	6
4. LEVYING OF TARRIFFS.....	9
5. PRINCIPLES OF FIXED AVAILABILITY CHARGES ERROR! BOOKMARK NOT DEFINED.	
6. DETERMINATION OF TARIFFS FOR MAJOR SERVICES.....	10
7. ELECTRICITY	12
9. REFUSE REMOVAL	13
11. PROPERTY RATES.....	14
12. OTHER TARIFFS	14
13. KEEPING TARIFFS COST EFFECTIVE.....	17
14. LEGAL REQUIREMENTS	17
SECTION I: WATER SERVICES ACT NO. 108 OF 1997	17
14.1. SECTION 10: NORMS AND STANDARDS FOR TARIFFS.....	17
14.2. SECTION 21: BY-LAW	18

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17****1. GENERAL INTRODUCTION AND OBJECTIVE**

In terms of section 62 (1) of the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003, the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that, inter alia, the municipality has and implements a tariff policy referred to in section 74 of the Local Government: Municipal Systems Act (MSA), Act no 32 of 2000 as amended.

In terms of section 74 of the Municipal Systems Act the municipal council hereby adopts a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

In setting its annual tariffs the council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development.

2. DEFINITIONS

“Accounting officer” means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act.

“Annual budget” shall mean the budget approved by the municipal council for any particular financial year, and shall include any adjustments to such budget.

“Basic municipal services” shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment.

“By-law” shall mean legislation passed by the council of the municipality, and which shall be binding on the municipality and on the persons and institutions to which it applies.

“Chief financial officer” means a person designated in terms of section 80 (2) (a) of the Municipal Finance Management Act.

“Councillor” shall mean a member of the Council of the municipality.

“Domestic consumer or user” of municipal services shall mean the person or household which municipal services are rendered in respect of “residential property” as defined below.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

“Financial year” shall mean the period starting from 1 July in any year and ending on 30 June of the following year.

“Integrated development plan” shall mean a plan formulated and approved as envisaged in Section 25 of the Municipal Systems Act 2000, as amended.

“Local community” or **“community”**, in relation to the municipality, shall mean that body of persons comprising the residents of the municipality, the ratepayers of the municipality, any civic organisations and non-governmental, private sector or labor organisations or bodies involved in local affairs within the municipality, and visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality.

“Month” means one of twelve months of a calendar year.

“Municipality” or **“municipal area”** shall, where appropriate, mean the geographic area, determined in terms of the Local Government: Municipal Demarcation Act No. 27 of 1998 as the municipal area pertaining to the municipality.

“The municipality” means Mbizana Local Municipality.

“Municipal council” or **“council”** shall mean the municipal council of Mbizana Local Municipality as referred to in Section 157(1) of the Constitution.

“Municipal manager” shall mean the person appointed in terms of Section 82 of the Municipal Structures Act, 1998.

“Multiple purposes” in relation to a property, shall mean the use of a property for more than one purpose.

“Municipal service” has the meaning assigned to it in terms of Section 1 of the Municipal Systems Act.

“Municipal tariff” shall mean a tariff for services which the municipality may set for the provision of a service to the local community, and may include a surcharge on such service. Tariffs for major services shall mean tariffs set for the supply and consumption or usage of electricity, water, sewerage and refuse removal, and minor tariffs shall mean all other tariffs, charges, fees, rentals or fines levied or imposed by the municipality in respect of other services supplied including services incidental to the provision of the major services.

“Rate” shall mean a municipal rate on property as envisaged in Section 229 (1 (a) of the Constitution.

“Ratable property” shall mean property on which the municipality may in terms of Section 2 of the Municipal Property Rates Act 2004 levy a rate, but excluding

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

property fully excluded from the levying of rates in terms of Section 17 of that Act.

“Ratepayer” shall mean a person who is liable to the municipality for the payment of (a) rates on property in the municipality; (b) any other tax, duty or levy imposed by the municipality; and/or (c) fees for services provided either by the municipality or in terms of a service delivery agreement.

“Rebate” in relation to a rate payable on a property, shall mean a discount granted in terms of Section 15 of the Municipal Property Rates Act, 2004 on the amount of the rate payable on the property.

“Residential property” shall mean a property included in the valuation roll in terms of Section 48(2)(b) of the Municipal Property Rates Act, 2004 as residential.

“Tariff” means a tariff for services which the Municipality may set for the provision of a service to the local community and includes a surcharge on such tariff.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17****3. GENERAL PRINCIPLES**

Service tariffs imposed by the local municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the ability of the relevant consumer or user of the services to which such tariffs relate, shall not be considered as a relevant criterion (except in the case of the indigency relief measures approved by the municipality from time to time).

3.1. *The tariff structure of Mbizana municipality shall make provision of the following categories of customers :*

- *Residential (domestic)*
- *Commercial (business)*
- *Institutional*
- *Rural*
- *Municipal*

3.2. *In line with the principles embodied in the Constitution, and other legislation pertaining to local government, such differentiation shall at all times be reasonable and fully disclosed in the annual budget.*

3.3. The municipality shall ensure that its tariffs are uniformly and fairly applied throughout the municipal region

3.4. Tariffs for the two major services rendered by the municipality, namely:

- Electricity
- refuse removal (solid waste),

Shall as far as possible recover the expenses associated with the rendering of each service concerned. The tariff which a particular consumer or user pays shall therefore be directly related to the standard

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

of service received and the quantity of the particular service used or consumed.

- 3.5. The municipality shall, as far as circumstances reasonably permit, ensure that the tariffs levied in respect of the foregoing services further generate an operating surplus each financial year of 10% or such lesser percentage as the council of the municipality may determine at the time that the annual operating budget is approved.
- 3.6. Such surpluses shall be applied in relief of property rates and for the partial financing of general services or for the future capital expansion of the service concerned, or both. The modesty of such surplus shall prevent the service tariffs concerned from being viewed as concealed taxes.

The municipality shall develop, approve and at least annually review an indigency support programme for the municipal area. This programme shall set out clearly the municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the municipal region.

- 3.7. In line with the principles embodied in the Constitution and in other legislation pertaining to local government, the municipality may differentiate between different categories of users and consumers in regard to the tariffs which it levies. Such differentiation shall, however, at all times be reasonable, and shall be fully disclosed in each annual budget.
- 3.8. The municipality's tariff policy shall be transparent, and the extent to which there is cross-subsidisation between categories of consumers or users shall be evident to all consumers or users of the service in question.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- 3.8. The municipality further undertakes to ensure that its tariffs shall be easily explainable and understood by all consumers and users affected by the tariff policy concerned.

The municipality also undertakes to render its services cost effectively in order to ensure the best possible cost of service delivery.

- 3.9. In the case of directly measurable services, namely electricity and water, the consumption of such services shall be properly metered by the municipality, and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. The charges levied on consumers shall be proportionate to the quantity of the service which they consume.

- 3.10. In addition, the municipality shall levy monthly availability charges for the services concerned, and these charges shall be fixed for each type of property as determined in accordance with the detailed policies set out below. Generally, consumers of water and electricity shall therefore pay two charges: one, relatively minor, which is unrelated to the volume of consumption and is levied because of the availability of the service concerned; and another directly related to the consumption of the service in question.

In considering the costing of its electricity the municipality shall take due cognisance of the high capital cost of establishing and expanding such service, and of the resultant high fixed costs, as opposed to variable costs of operating this service. The municipality therefore undertakes to plan the management and expansion of the services carefully in order to ensure that both current and reasonably expected future demands are adequately catered for, and that demand levels which fluctuate significantly over shorter periods are also met.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

This may mean that the services operate at less than full capacity at various periods, and the costs of such surplus capacity must also be covered in the tariffs which are annually levied.

- 3.11. In adopting what is fundamentally a two-part tariff structure, namely a fixed availability charge coupled with a charge based on consumption, the municipality believes that it is properly attending to the demands which both future expansion and variable demand cycles and other fluctuations will make on service delivery.
- 3.12. It is therefore accepted that part of the municipality's tariff policy for electricity services will be to ensure that those consumers who are mainly responsible for peak demand, and therefore for the incurring by the municipality of the associated demand charges from Eskom, will have to bear the costs associated with these charges.
- 3.13. To this end the municipality shall therefore install demand meters to measure the maximum demand of such consumers during certain periods. Such consumers shall therefore pay the relevant demand charge as well as a service charge directly related to their actual consumption of electricity during the relevant metering period.

4. LEVYING OF TARRIFFS

4.1. The Council determines tariffs when approving its budget for a budget year. Council may only determine tariffs during the course of the budget only when:

- *A new service is introduced*
- *No tariff for an existing service has previously been imposed*
- *It is necessary to correct a tariff already imposed*

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

4.2. Users will be treated equitably through differentiation for tariff purposes

4.3. Council may not increase tariffs during a financial year, except when required in terms of the financial recovery plan S28 (6) of Municipal Finance Management Act.

4.4. Council shall give authority to levy tariffs by passing a resolution during the budget approval process.

5. SUBSIDIZATION OF THE BASIC SERVICE TARIFF

5.1. Basic level consumption of any service may be subsidized by a higher level tariff, depending on legislative requirement.

5.2. Domestic consumers may have consumption subsidized from allocations received from National Income

6. DETERMINATION OF TARIFFS FOR MAJOR SERVICES

6.1. In order to determine the tariffs which must be charged for the supply of the four major services, the municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:

- Cost of bulk purchases in the case of water and electricity.
- Distribution costs.
- Distribution losses in the case of electricity and water
- Depreciation expenses
- Maintenance of infrastructure and other fixed assets
- Administration and service costs, including:
- Service charges levied by other departments such as finance, human resources and legal services;

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- reasonable general overheads, such as the costs associated with the office of the municipal manager;
- adequate contributions to the provisions for bad debts and obsolescence of stock;

6.2. *It is essential to take into consideration the following needs while determining a tariff structure:-*

- *The need to reflect costs as accurately as possible in order to achieve cost effectiveness;*
- *The need to ensure equality and fairness between user groups;*
- *The need for a practically implementable tariff;*
- *The need to use appropriate metering and provisioning technology;*
- *The need for an understandable tariff; and*
- *The user's ability to pay.*

6.3. All other ordinary operating expenses associated with the service concerned including, in the case of the electricity service, the cost of providing street lighting in the municipal area (note: the costs of the democratic process in the municipality – that is, all expenses associated with the political structures of the municipality – shall form part of the expenses to be financed from property rates and general revenues, and shall not be included in the costing of the major services of the municipality).

6.4. The intended surplus to be generated for the financial year, such surplus to be applied:

- as an appropriation to capital reserves; and/or
- generally in relief of rates and general services.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17****6.5. The cost of approved indigency relief measures.**

The municipality shall provide the first 50kWh of electricity per month free of charge to consumers who have registered as indigents in terms of the municipality's indigency relief programme. The municipality shall further consider relief in respect of the tariffs for refuse removal for such registered indigents to the extent that the council deems such relief affordable in terms of each annual budget, but on the understanding that such relief shall not be less than a discount of 50% on the monthly amount billed for the service concerned.

6.6. Tariffs for pre-paid meters shall be the same as the ordinary consumption tariffs levied on the category of consumer concerned, but no availability charge shall be levied on properties where pre-paid meters have been installed. This distinction is made in recognition of the financial advantages which pre-paid metering entails for the services in question.

7. ELECTRICITY

The various categories of electricity consumers, as set out below, shall be charged at the applicable tariffs, as approved by the council in each annual budget.

Tariff adjustments shall be effective from 1 July each year or as soon as possible thereafter.

Categories of consumption and charges shall be as follows:

- * With the single exception of registered indigents, all electricity consumers shall be billed for their electricity consumption at the tariff applicable to the category in which the particular consumer falls.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- * The tariff for domestic consumption of electricity shall not exceed 75% per kWh of the tariff applicable to other consumers. All other consumers, including businesses, industries and institutional consumers, shall pay the same tariff per kWh.
- * All domestic electricity consumers of the municipality who are registered as indigents with the municipality shall receive free the first 50kWh (fifty) of electricity consumed per month.
- * All domestic electricity consumers other than registered indigents and consumers using prepaid meters per month shall additionally be billed a basic charge per meter installed.
- * All commercial, industrial and other non-domestic properties shall additionally be billed a monthly basic charge per meter installed and, where applicable, a demand charge appropriate to their respective levels of consumption.
- * The local municipality's departmental electricity consumption shall be charged at cost.

8. REFUSE REMOVAL

The categories of refuse removal users as set out below shall be charged at the applicable tariffs, as approved by the council in each annual budget.

Tariff adjustments shall be effective from 1 July each year.

A separate fixed monthly refuse removal charge shall apply to each of the following categories of users, based on the costs of the service concerned:

- * Domestic and other users (once weekly removal)
- * Business and other users (twice weekly removal)
- * Business and other users (thrice weekly removal)

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- * Business and other (bulk consumers).

Registered indigents may receive such discount on this charge as the council deems affordable when approving each annual budget, but on the understanding that such discount shall not be less than 50% of the monthly amount billed as a refuse removal charge.

A fixed monthly charge shall be charged to the local municipality's departments equal to the lowest (domestic) tariff.

9. PROPERTY RATES

The rate levied by the municipality will be a cent amount in the Rand based on the market value of the property.

In terms of the Municipal Property Rates Act, 2004 the municipality may levy different rates for different categories of rateable property. Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category and by way of reductions and rebates as provided for in the municipality's property rates policy.

In terms of section 17 (1) (e) of the Municipal Finance Management Act municipality's property rates policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

10. OTHER TARIFFS

All minor tariffs shall be standardised within the municipal region.
--

All minor tariffs shall be approved by the council in each annual budget, and shall, when deemed appropriate by the council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

accurately be determined, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.

All minor tariffs over which the municipality has full control, and which are not directly related to the cost of a particular service, shall annually be adjusted at least in line with the prevailing consumer price index, unless there are compelling reasons why such adjustment should not be effected.

The following services shall be considered as subsidised services, and the tariffs levied shall cover 50% or as near as possible to 50% of the annual operating expenses budgeted for the service concerned:

- burials and cemeteries
- rentals for the use of municipal sports facilities

The following services shall be considered as community services, and no tariffs shall be levied for their use:

- municipal swimming pool
- municipal museum and art gallery
- disposal of garden refuse at the municipal tip site
- municipal botanical garden, and all other parks and open spaces.

The following services shall be considered as economic services, and the tariffs levied shall cover 100% or as near as possible to 100% of the budgeted annual operating expenses of the service concerned:

- maintenance of graves and garden of remembrance (cremations)
- housing rentals
- rentals for the use of municipal halls and other premises (subject to the proviso set out below)

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- building plan fees
- sales of plastic refuse bags
- sales of refuse bins
- cleaning of stands
- electricity, water, sewerage: new connexion fees
- sales of livestock and plants
- photostat copies and fees
- clearance certificates.

The following charges and tariffs shall be considered as regulatory or punitive, and shall be determined as appropriate in each annual budget:

- fines for lost or overdue library books
- advertising sign fees
- pound fees
- electricity disconnection and re-connexion fees
- penalty and other charges imposed in terms of the approved policy on credit control and debt collection
- penalty charges for the submission of dishonoured, stale, post-dated or otherwise unacceptable cheques.

Market-related rentals shall be levied for the lease of municipal properties.

In the case of rentals for the use of municipal halls and premises, if the municipal manager is satisfied that the halls or premises are required for non-profit making purposes and for the provision of a service to the community, the municipal manager may waive 50% of the applicable rental.

The municipal manager shall determine whether an indemnity or guarantee must in each instance be lodged for the rental of municipal halls, premises and sports

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

fields, and in so determining shall be guided by the likelihood of the municipality's sustaining damages as a result of the use of the facilities concerned.

11. KEEPING TARIFFS COST EFFECTIVE

The Municipality shall keep tariffs cost-effective by ensuring that:

- *services are delivered generally at an appropriate level*
- *efficiency improvements are constantly pursued across all categories of municipal services*

A performance management system shall be implemented to promote appropriate service delivery mechanisms. Any non-core functions that the municipality perform are to be economically managed to avoid any undue pressure on tariff increases. When determining tariff, the ability to pay of various categories of consumers and ratepayers shall within reasonable and cost effective parameters be taken into account. The municipality may determine different tariffs for different levels of consumption.

12. TARIFF COMMITTEE

The accounting officer may establish a tariff committee that will consists of all the relevant stakeholders to oversee the implementation of the policy.

13. LEGAL REQUIREMENTS**WATER SERVICES ACT NO. 108 OF 1997****14.1. SECTION 10: NORMS AND STANDARDS FOR TARIFFS**

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

A municipality, in its capacity as a water services institution, must apply a tariff for water services which is not substantially different from any norms and standards which the Minister of Water Affairs and Forestry, with the concurrence of the Minister of Finance, has prescribed in terms of the present Act.

14.2. SECTION 21: BY-LAW

A municipality, in its capacity as water services authority, must make by-laws which contain conditions for the provision of water services, and which provide for at least the following (inter-alia):

- the standard of the services;
- the technical conditions of supply, including quality standards, units or standards of measurement, the verification of meters, acceptable limits of error and procedures for the arbitration of disputes relating to the measurement of water services provided;
- the determination and structure of tariffs in accordance with Section 10 of the present Act.

If the municipality, in its capacity as water services authority, has imposed conditions under which water services are provided, such conditions must be accessible to consumers and potential consumers.

If the municipality, in its capacity as water services authority, provides water for industrial use, or controls a system through which industrial effluent is disposed of, it must make by-laws providing for at least the following:

- the standards of the service;
- the technical conditions of provision and disposal;
- the determination and structure of tariffs.

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17****LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT NO. 32 OF 2000****14.3. SECTION 74: TARIFF POLICY**

The council of a municipality must adopt and implement a tariff policy on the levying of fees for the services provided by the municipality itself or by way of service delivery agreements.

Such policy must comply with the provisions of the present Act and any other applicable legislation.

Such tariff policy must reflect at least the following principles:

- that users of municipal services must be treated equitably in the application of the municipality's tariffs;
- that the amount individual users pay for services must generally be in proportion to the use of such services;
- that poor households must have access to at least basic services through tariffs which cover only operating and maintenance costs, special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of services, or any other direct or indirect method of subsidisation of tariffs for poor households;
- that tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;
- that tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;
- that provision may be made in appropriate circumstances for a surcharge on the tariff for a service;

MBIZANA LOCAL MUNICIPALITY**Tariff Policy – 2016/17**

- that provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- that the economic, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives must be encouraged;
- that the extent of subsidisation of tariffs for poor households and other categories of users must be fully disclosed.

The tariff policy may differentiate in respect of services, service standards, service providers and other matters between different categories of users, debtors or geographical areas.

If the policy entails such differentiation, the municipality must ensure that this does not amount to unfair discrimination.

14.4. SECTION 73: GENERAL DUTY

The municipality must give effect to the provisions of the Constitution, and in doing so give priority to the basic needs of the local community, promote the development of the local community, and ensure that all members of the local community have access to at least the minimum level of basic municipal services.

The services provided by the municipality must be: equitable and accessible; provided in a manner conducive to the prudent, economic, efficient and effective use of available resources, and the improvement of standards of quality over time; financially sustainable; environmentally sustainable; and regularly reviewed with a view to upgrading, extension and improvement.

MBIZANA LOCAL MUNICIPALITY

Tariff Policy – 2016/17

14.5. SECTION 75: BY-LAWS TO GIVE EFFECT TO POLICY

The council of the municipality must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.

Such by-laws may differentiate in respect of services, service standards, service providers and other matters between different categories of users, debtors or geographical areas, but in a manner which does not amount to unfair discrimination.



MUNICIPAL MANAGER

Date _____

Adopted by the Council of Mbizana Local MunicipalityEffective Date

LOCAL AUTHORITY NOTICE 75 OF 2016**MBIZANA MUNICIPALITY DRAFT A LAND USE SCHEME**

Notice is herewith given in terms of Section 25(1) of the Municipality's SPLUMA By-law that the Mbizana Council adopted new Land Use Scheme Regulations on 30 May 2016. These Land Use Scheme Regulations will come into operation on the date of the publication of this notice and will apply to the entire Municipal area of jurisdiction.

The Land Use Scheme Regulations are available on the Municipal website (www.mbizana.gov.za).

Mr. L. Mahlaka
Municipal Manager
Mbizana Municipality
P.O. Box 12
Mbizana
5241

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001.
Contact Centre Tel: 012-748 6200. eMail: info.egazette@gpw.gov.za
Also available at the Legal Advisory Services, **Province of the Eastern Cape**, Private Bag X0047, Bisho, 5605.
Tel. (040) 635-0052.