



2022/2023 RATES POLICY & RATES BYLAW REVIEW

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Legislative Background

- The Rates Policy guides the City in all aspects of levying rates on property owners as required by the Local Government Municipal Property Rates Act 6, of 2004 (MPRA) as amended.
- Property Rates are levied as a cent in the Rand based on the market value of the property as reflected in the valuation roll.
- Council levies different rates for different categories of ratable property based on zoning.
- Council through the Rates Policy gives reductions and rebates on certain categories of properties as would be promulgated for a particular year.
- Council must review Rates Policy annually.
- Council must conduct public participation meetings on the draft Rates Policy in accordance with Chapter 4 of the Systems Act.
- In terms of Section 11 of the Prescription Act 68 of 1969 and the Council may recover rates in arrears for a period of up to 30 years.



Rates Policy Review Process 2022/2023

- First phase of Rates Policy public participation meetings 2022/2023
 - Hybrid meetings will start on the 8th of February 2022 with the Councilor briefing session.
 - Public meetings will start on 15 February and envisaged date of completion is 7th March 2022.
 - The due date for the submission of comments and inputs is 7th of March 2022
- The Second phase of the Rates Policy public participation process and proposed Tariffs will form part of the IDP and Budget meetings which will be scheduled by the office of the Speaker.
- The Rates Policy 2021/2022 is available on www.joburg.org.za
- Written comments can be emailed to ratescomments@joburg.org.za by close of business on 7th of March 2022.



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Tentative Schedule of Rates Policy review meetings 2022/2023

Region	Venue	Date	Times
	Councilors briefing	08 February 2022	14h00-16h00
	Business meeting	11 February 2022	09h00-11h00
B	Marks Park Pavillion Hall, Judith Road, Emmarentia	15 February 2022	18h00-20h00
B	Ferndale Recreation Centre, 38 Harley Street, Ferndale	16 February 2022	18h00-20h00
B	Riverlea Recreational center, Colorado drive, Riverlea	17 February 2022	18h00-20h00
A	Midrand Fire Station, Cnr First and Smuts Streets, Midrand	21 February 2022	18h00-20h00
A	Ivory Park North Hall, 8712 Tokoloho St, Ivory Park, Midrand	22 February 2022	18h00-20h00
A	Rivonia Recreational club, 47 Achter Rd, Paulshof, Sandton	23 February 2022	18h00-20h00
A	Diepsloot Youth Hall, Main road, Diepsloot	24 February 2022	18h00-20h00
C	Roodepoort Civic Centre, 100 Christiaan De Wet Road, Florida Park	23 February 2022	18h00-20h00
C	Cosmo City MPCC, Angola Drive, Cosmo City	23 February 2022	18h00-20h00
E	Sandton offices, 137 Daisy Street, Sandton	24 February 2022	18h00-20h00
E	Marlboro Community Hall, Cnr Zinia and Islamabad Roads, Marlboro	24 February 2022	18h00-20h00



Tentative Schedule of Rates Policy review meetings 2022/2023

E	Norscot Manor Recreational Centre, 6B Penguin Drive Norscot Fourways	1 March 2022	18h00-20h00
E	Jabula Recreation Centre, Cnr. Anne Str and Athlone Avenue Sandringham	28 February 2022	18h00-20h00
E	East Bank Hall, Cnr Springbok & Impala Strs, Alexandra	28 February 2022	18h00-20h00
F	Eureka House, Wemmerpan, 92 Marlborough Street, Springfield	1 March 2022	18h00-20h00
F	Kibler Park Recreation Centre, Peggy Vera Road & Sunningdale Dr, Kibler Park	28 February 2022	18h00-20h00
G	Ennerdale Civic Centre, Corner Katz and Smit Streets, Ennerdale	2 March 2022	18h00-20h00
G	Lenasia Civic Centre, No 1 Rose Avenue, Lenasia Ext 1	4 March 2022	18h00-20h00
D	SAADACC Community HALL, 10623 Maseru Str, Zone 9 Meadowlands	1 March 2022	18h00-20h00
D	Protea Glen Libray 1703 Milkwood Street, Protea Glen, Ext 1 Soweto	2 March 2022	18h00-20h00
D	Dhlamini hall, Koma Road Soweto	3 March 2022	18h00-20h00
D	Diepkloof Hall, Corner Immink and Eben Cuyler Drives, Diepkloof	4 March 2022	18h00-20h00
D	Pimville Community Hall, 11624 Modjaji Street Zone 4 Pimville	07 March 2022	18h00-20h00



The dates of the meetings and Venues provided are subject to change with the guidance of the councillors



Why is the Rates Policy reviewed annually

- The Rates Policy has been reviewed annually since 2008 to take into account legislative changes and City's policy direction and public input. The reviews are mandatory as per legislation.
- To align the Rates Policy to the top **7 priorities** of the City.
- The review is done to enhance the policy as well as ensure that the required revenue is realized.
- The policy is designed to assist the less privileged of the community by ensuring that programs are available to assist .
- Align the Policy to the relevant legislation.
- To ensure a balance between affordability and revenue increase when proposing new tariff increases as well as ensuring the promotion of economic development.
- The review of the Rates Policy is aligned to the City's strategic directive.



Potential Risks to be considered

The Rates Policy review process for 2022/2023 financial year is taking place under challenging conditions.

- Economic conditions:
 - The economy is not growing;
 - Impact of Covid-19;
 - Loss of jobs;
 - Increase in property owners depending on social grants;
 - Sustainability of Provision of municipal services;
 - Continued requests for the reduction of the Business ratio to 1:2; currently at 1:2.5
 - All stakeholders requesting for more relief.
- Declaration of National Disaster and the extensions thereof.
- Proposed electricity increase of 20,5% for 2022/2023 financial year.



Potential Risks to be considered (continue)

- Section 8 of the MPRA created mandatory property categories these are to be implemented on the 1st July 2022.
- Exclusion public service category from rating (state owned properties).
- Challenges with the approval of sub-categories.
- Possible increase of interest rates.
- Continuous crude oil price increases.



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Changes done in the 2021/2022 Rates Policy

- Corrected the language and structure of the Policy.
- Corrected some of the definitions of categories.
- Aligned the Rates policy to the MPRA and all other relevant legislation.
- Valuations of split value (multipurpose) and leases implemented.



Proposed Category changes as per Section 8 for 2022/2023

No	Current Category	Future Category	Future Ratios
1	Agricultural business	Business	1:2.5
2	Agricultural other	Agricultural other	1:1
3	Agricultural residential	Residential	1:1
4	Business and commercial	Business and commercial	1:2.5
5	Education	Education	1:0.25
6	Farming	Farming	1:0.25
7	New category (Industrial)	Industrial	To be determined by Council
8	Mining land	Mining land	1:2.5
9	Multipurpose business	Multipurpose	Ratio will be determined per split value
10	Multipurpose residential	Multipurpose	Ratio will be determined per split value
11	Municipal property	Municipal	0
12	Private open space	Private open space	1:0.25
13	Public open space	Public open space	0
14	PSI	PSI	1:0.25
15	PSI privately owned	PSI privately owned	1:0.25
16	Public benefit organisation	Public benefit organisation	
17	Religious	Religious	0
18	R E of a township	R E of a township	1:2.5
19	Residential	Residential	1:1
20	Residential Consent use	Residential Consent use	1:2
21	Sectional Title Business	Business and commercial	1:2.5
22	Sectional Title other	Sectional Title other	1:1
23	Sectional Title residential	Residential	1:1
24	State	Public service purpose	1:1.5
25	Vacant land	Vacant land	1:4



Current Categories, Ratios and Tariffs for 2021/2022

No	Category	Ratio 2021/2022	Rates tariffs for 2021/2022
1	Agricultural residential	1:1	0.008220
2	Agricultural business	1:2.5	0.020550
3	Agricultural other	1:1	0.008220
4	Residential	1:1	0.008220
5	Residential Consent use	1:2	0.016440
6	Business and commercial	1:2.5	0.020550
7	Sectional Title Business	1:2.5	0.020550
8	Sectional Title residential	1:1	0.008220
9	Sectional Title other	1:01	0.008220
10	Municipal property	0	0
11	Farming	1:0.25	0.002055
12	Mining land	1:2.5	0.020550
13	Vacant Land	1:4	0.032881
14	PSI	1:0.25	0
			0.002055

Current Category, Ratios and Tariffs for 2021/2022

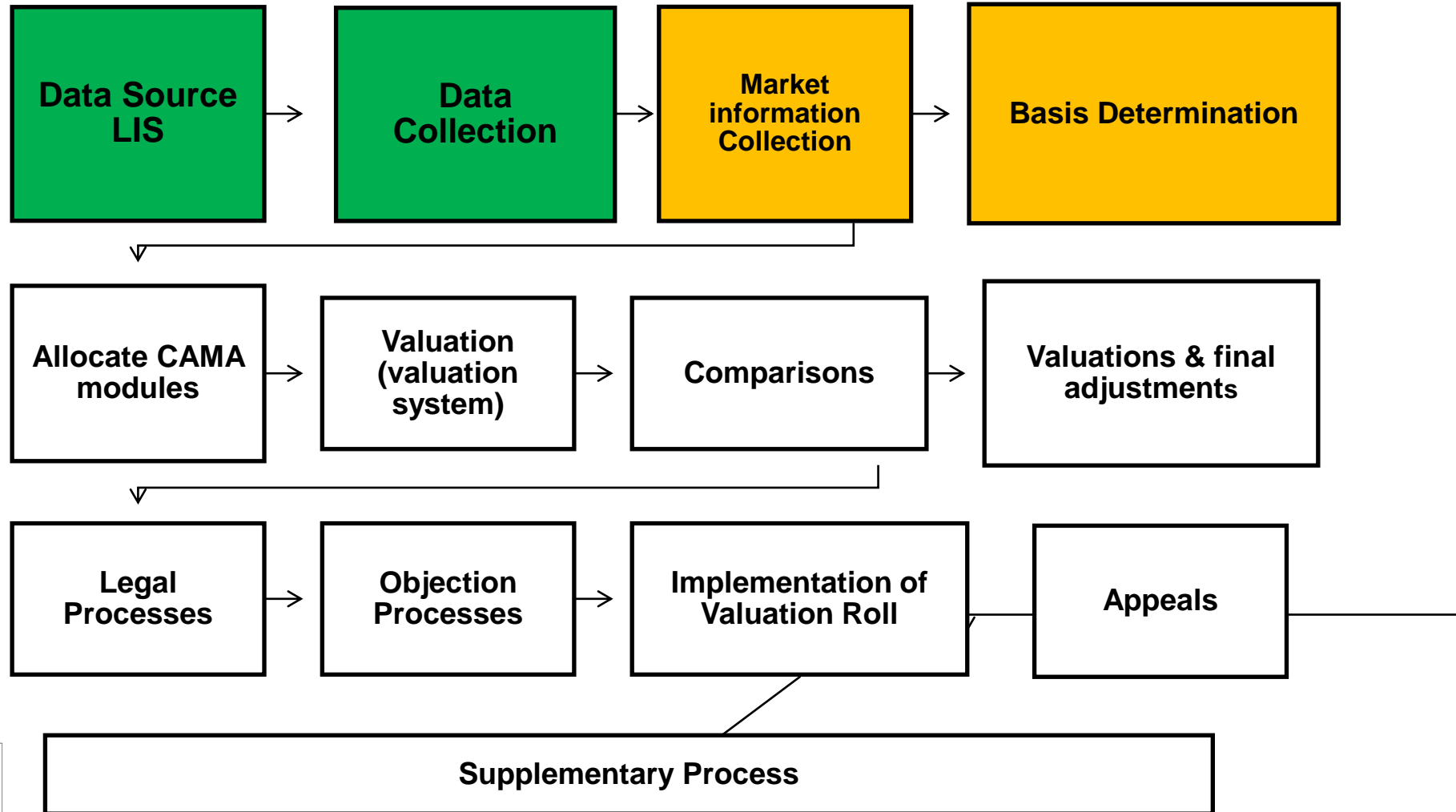
16	Private open space	1:0.25	0.002055
17	Public open space	1:0.25	0.002055
18	State	1:1.5	0.012330
19	Education	1:0.25	0.002055
20	Religious	0	0
21	Multipurpose*		
22	R E of a township	1:2.5	0.020550
	Category of ownership		
1	Public benefit organisation	1:0.25	0.002055
	Penalty Tariff		
1	Unauthorised use	1:6	0.049321

Valuation roll used determining tariffs for 2021/2022

Category	Nr Properties	Market Value 31/01/2021
To be valued (Nulls)	455	
Agricultural Business	1 066	R19 840 112 000
Agricultural Other	122	R538 842 000
Agricultural Residential	6 016	R23 015 039 600
Business & Commercial	25 217	R291 492 025 000
Consent Use	63	R158 459 000
Education	1 714	R25 209 704 000
Farming	80	R269 372 000
Mining	74	R254 972 000
Multiple Purpose Business	368	R4 235 368 000
Multiple purpose due to consent use	0	0
Multiple Purpose Residential	1 419	R9 925 528 000
Municipal	2 277	R11 264 667 000
Private Open Space	677	R2 025 471 100
Public Benefit Organisations	6	R152 150 000
Public Open Space	2 507	R8 033 215 000
Public Service Infrastructure	12 305	R3 110 023 100
Public Service Infrastructure Private	681	R391 458 000
R.E. of Township	763	R14 896 139 440
Religious	2 403	R8 097 690 000
Residential	573 101	R652 613 288 904
Sectional Title Business	22 916	R37 544 342 440
Sectional Title Other	7 805	R478 699 500
Sectional Title Residential	229 065	R221 635 385 020
State	801	R21 048 771 800
Vacant Land	25 344	R35 949 748 580
Total	917 245	R 1 392 180 471 484



General Valuation Roll 2023 Process



GV 2023


- The City is busy with the compilation of GV2023.
- Appointment of the Municipal Valuer is underway.
- The valuation date will shortly be declared and is envisaged to be the 1st July 2022.
- The valuation roll implementation will be 1st July 2023 (the City received an extension from the MEC: CoGTA).
- Citizens are encouraged to register email addresses with the City for ease of communication. This will assist the valuers when the time comes for the sending of letters to clients informing them of outcome of the valuations in preparation for implementation.
- Citizens are encouraged to submit property information that can be used in the valuation process. Channels to be used for the submission will be communicated in due course currently this can be done on valuationenquiries@joburg.org.za alternatively at 1st Floor, East wing @ 66 Jorissen Place, Braamfontein.
- Letters have been sent to companies requesting information relating to property for valuation purposes. Clients are welcome to submit property information that will assist in the valuation process.



Objections and Appeals information update

Description	Received (adjusted for yearly Supps Rolls)	Completed as of June 2020	Completed in 2020/2021 Financial Year	Quarter 1 of 2021/22 Performance	Quarter 2 of 2021/22 Performance	Outstanding on 31 st December 2021
Reviews 2013	44 990	(22 191)	(3 272)	(1 570)	(2 223)	15 734
Appeals 2013	8 470	(7 788)	(306)	(87)	(115)	174
Reviews 2018	25 153	(5 429)	(17 787)	0	(150)	1 787
Appeals 2018	11 422	(2 271)	(972)	(613)	(848)	6 718
	90 035	(37 679)	(22 337)	(2 270)	(3 336)	24 413





Questions and Discussion

Thank you

ratescomments@joburg.org.za