



## **PROPOSED AMENDMENTS TO RATES BYLAWS 2024/2025**

### **ADDITIONAL CRITERIA ON THE CLAUSE**

<b><u>Existing clause</u></b>	<b>6. CRITERIA FOR DIFFERENTIAL RATING FOR DIFFERENT CATEGORIES OF PROPERTIES</b>
<b><u>Additional criteria of category of the property</u></b>	6.2 The rating related to the “Unauthorized or Illegal development or use, and Abandoned property or building” Rates category will be implemented on an incremental basis, according to the level of compliance achieved. This means that where properties (including properties previously rate coded) are noncompliant for a period exceeding 12 months from date of implementation, such properties will attract an additional punitive charge as per Council’s tariffs.
<b><u>Reasons for the proposed criteria</u></b>	While the implementation of the “ <b><u>Unauthorized or Illegal development or use, and Abandoned property or building</u></b> ” rating category is seen as an effective tool and deterrent in controlling illegal developments, there are developers/owners of properties that remain undeterred and prefer paying the penalty rates rather than complying. The reason for this is that they find paying the illegal tariff as a cheaper option than going through processes to achieve compliance. This effectively defeats the purpose of the department in ensuring that developments are regulated. It is for this reason that Council has on numerous occasions raised concerns that the illegal tariff is not punitive enough, and that the Policy be amended to include a more punitive system of

	<p>rating in cases where compliance is not achieved within a reasonable period. In this regard, Council at Executive Committee meeting dated 26<sup>th</sup> July 2023 resolved as follows:</p> <p><b>C162 (ESY 10) - EXCO: 26.07.2023</b></p> <p><b><u>SUMMARY OF THE FINANCIAL IMPACTS ASSOCIATED WITH IMPLEMENTATION OF “UNAUTHORIZED OR ILLEGAL DEVELOPMENT OR USE, AND ABANDONED PROPERTY OR BUILDING” RATE CATEGORY IN TERMS OF COUNCIL’S RATES POLICY.</u></b></p> <p><i>6. That Council as part of the 2024/2025 financial year budget preparations must review the rates policy to increase the punitive charges for those who ignore complying with the rate coding.</i></p>
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#### **ADDITIONAL OF DEFINITIONS**

<b><u>DELETION OF DEFINITION</u></b>	<b>Abandoned Building</b>
<b><u>Definition</u></b>	means where a property or the buildings on a property have been abandoned and have become or are becoming derelict or unusable in its present condition for the purpose for which it was intended, the Municipality may change the category of the relevant property to the Abandoned Property or Building” category.
<b><u>Reason for proposed</u></b>	This is included under the Definition of “Unauthorized or Illegal development or USE , and Abandoned Property or Building Category”

<b><u>NEW</u></b>	<b>Mining Owned Properties</b>
<b><u>Definition</u></b>	A property used for mining operations as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002);
<b><u>Reason for proposed</u></b>	This is a prescribed category

<b><u>NEW</u></b>	<b>Indigent Owner</b>
<b><u>Definition</u></b>	Means a person recorded and listed on the indigent register of the municipality and who qualifies for property rates relief in terms of the municipality's adopted rates policy
<b><u>Reason for proposed</u></b>	This is a prescribed category when granting in terms of exemptions, rebates, or reductions in respect of owner of categories of properties.

<b><u>EXISTING WITH AN ADDITION</u></b>	<b>"Unauthorized or Illegal development or USE , and Abandoned Property or Building Category"</b>
<b><u>Definition</u></b>	<p>a) where a property is being or, has been developed or is being used without authority or illegally, in contravention of National Legislation, any Municipality's By-laws or any Regulations, the Land Use Scheme or any other applicable law, the Municipality may change its category to the "Unauthorized or Illegal development or use and Abandoned Property or Building category.</p> <p>b) means where a property or the buildings on a property have, in the opinion of the Executive Director EDP and Director Development Enforcement been abandoned and have become or are becoming derelict or unusable in its present condition for the purpose for which it was intended, the Municipality may change the category of the relevant property to the " Unauthorised or Illegal development or use, and Abandoned Property or Building" category.</p> <p>c) where an owner or any person occupying privately owned property through such ownership unlawfully encroaches upon</p>

	adjoining Municipal property, the Municipality will change the category of the offending owner's property to "Unauthorized or Illegal development or use and Abandoned Property or Building category until such time as the unlawful activity ceases.
<b><u>Reason for proposed</u></b>	In line with the Rates Policy