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3 September 2007

The Secretary to Parliament of the RSA
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CAPE TOWN
8000

LGLAB-11

FAX: 021 4038204

Attention: Mr L Brown

Dear Sir

PORTFOLIO COMMITTEE ON PROVINCIAL AND LOCAL GOVERNMENT:

In response to your press advertisement I wish to make the following submissions.

(a) Municipal Systems Act 2000: Municipal manager term of employment should be able to exceed five years provided a majority of council members vote in favour thereof.

(b) Property Rates Act, 2004: It is a sound act which has a few grey areas that the City Council of Cape Town has exploited in order to raise more revenue. Provisions that require discussion and revision are:-

(i) that valuations using CAMA may only be done in homogenous areas;

(ii) that before a provisional valuation roll is published an exploratory process should be embarked on in which ratepayers are informed that their valuation has been ESTIMATED at a certain amount and inviting their comment. If comment disagreeing with the valuation is received the property should be visited by a qualified valuer to discuss the valuation. CAMA could not form part of the process;

(iii) municipalities should put a cap on rates that result in the same property from year to year having the rates increased by more than 20%;

(iv) to ensure that the constitution and appointment of a Valuation Appeal Board is a fair and transparent process. Municipalities should have no part whatsoever in advertising for vacancies or appointments to the Board;

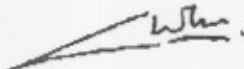
(v) to allowing municipalities to recognise and define geographical areas within the municipality where property prices have risen considerably above the ABSA index for the whole municipality;

(vi) to make provision for retirement villages who have no objection to paying residential rates but are outraged by the City of Cape Town charging them commercial rates in order to greedily increase their revenue.

I would/...

I would request that the Portfolio Committee allow me the opportunity of an oral hearing. As the first major municipality to assess rates in terms of the MPRA 2004 I suggest that an official of that Council be subpoenaed to give evidence to your Committee.

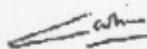
Yours faithfully

A handwritten signature, likely "Des White", written in dark ink. The signature is stylized and appears to be written over a horizontal line.

DES WHITE

PROVINCIAL AND LOCAL GOVERNMENT PORTFOLIO COMMITTEE

1. Thank you for allowing me to make submissions. In addition to the submission I made in my letter of 3 September 2007 I wish to make the following additional submissions.
2. CAMA systems: One valuation system using CAMA technology should be developed by a South African company appointed by a committee consisting of representatives of the Department P & LG, four major municipalities, one minor municipality, two qualified independent valuers, two IT experts, four residential ratepayers and two commercial ratepayers.
3. CAMA areas: Municipalities must specify the exact geographical areas where a CAMA system will be used.
4. REBATES: Full discretion should be given to municipalities to grant rebates with a provision that any rebates be approved by a 75% majority of votes of all councillors.
5. VALUATION APPEAL BOARDS: Only retired judicial officers or serving judicial officers should be allowed to be chairman of Valuation Appeal Boards. These chairmen and boards should be appointed by Department P & LG and not provinces. Serving judicial officers could be seconded for 2 year terms. Time limits should be set for appeal decisions - say within 90 days of hearing.
6. SECTIONAL TITLE SCHEMES : PAYMENTS: Sec 25(3) should be amended to allow managing agents and bodies corporate to collect rates from unit owners and pay them to the municipality provided that the managing agents are registered estate agents or have fiduciary guarantees covering collection of all levies.


D. WHITE