

# NDLAMBE MUNICIPALITY



## **INFORMATION STATEMENT IN TERMS OF SECTION 33(1)(a)(i)(aa) & (bb) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT 56 OF 2003 RELATING TO THE 5 YEAR CONTRACT THAT THE NDLAMBE MUNICIPALITY INTENDS ENTERING INTO FOR THE PROVISION OF PROPERTY VALUATION SERVICES IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT 6 OF 2004**

**In terms of section 33(1)(a)(i)(aa) and (bb) of the Local Government: Municipal Finance Management Act 56 of 2003, read with section 21A of the Local Government: Municipal Systems Act 32 of 2000, the Ndlambe Local Municipality hereby publishes the following Information Statement summarizing the Municipality's obligations with the accompanying draft contract that relates to the provision of property valuation services for the purpose of levying Property Rates.**

### **INFORMATION STATEMENT**

#### **1. PURPOSE**

Municipalities are mandated to raise revenue by the Local Government: Property Rates Act, No.6 of 2004. The act requires that a new general valuation roll be compiled every 5 years. The current general valuation roll will be expiring on 30 June 2019 therefor the Ndlambe Local Municipality intends entering into a 5 year contract with experienced and suitably qualified valuers for the compilation and maintenance of the valuation roll and supplementary valuation rolls as well as the supply of other valuation related services in compliance with the LOCAL Government: Municipal Property Rates Act, 2004 MPRA (Act 6 of 2004) for the Financial years 1 July 2018 to 30 June 2024.

The new general valuation roll must be compiled for readiness by for 01 July 2019. Valuation rolls are compiled and certified by professional valuers only, small municipalities cannot afford to employ full time professional valuers hence procuring valuation services.

Furthermore, the act prescribes certain legislative requirements to be complied with to ensure implementation of a legitimate valuation roll, that complies with all legislative processes.

#### **2. TERM OF THE CONTRACT**

The Contract will be for a period of (5) years from 1 July 2018 to 30 June 2024

### **3. OBLIGATIONS**

The Ndlambe Local Municipal Council shall take a resolution on the date of valuation being 1 July 2018 and date of implementation of the General Valuation Roll being 1 July 2019.

The Service provider will compile a General Valuation Roll in compliance with the Municipal Property Rates Act 6 of 2004 such as section 45 and 46. The service provider will comply fully to the Municipal Property Rates Act 6 of 2004 throughout the contract period.

The Service provider and the Ndlambe Municipality will conduct road shows to communities explaining-

- how market value is determined
- how objection process works
- for community participation in development of the Rates Policy

The Ndlambe Local Municipality in compliance with section 49 of the Municipal Property Rates Act-

- will once a week for two consecutive weeks advertise in the media a notice stating that the roll is open for inspection for a period not less than 30 days from the date of publication of the last notice
- inviting every person who wishes to lodge an objection in respect of any matter in, or omitted from, the roll to do so in the prescribed manner within the stated period.
- serve a notice on every owner of property listed in the valuation roll a notice with an extract of the valuation roll pertaining to that owner's property
- publish the valuation roll and the notice on the municipality's official website

The Service provider will promptly consider objections and in writing, notify every person who has lodged an objection of the outcome in terms of section 53 of the MPRA 6 of 2004

An objector has the right to appeal to an appeal board against the decision made in relation to a property value and must be lodged within 30 days after which the written notice was received

The Chairperson of the appeal board must within 60 days after receiving an appeal convene a meeting for the purpose of considering any appeal.

The Service provider and the Chairperson of the appeal board must ensure that the valuation roll is adjusted or added to in accordance with the decisions taken by the appeal board.

The Service provider will when requested by the Municipality compile a Supplementary Valuation roll in respect of properties omitted, subdivided, consolidated and properties which market values has substantially increased or decreased for any reason after the last general valuation roll.

Ndlambe Local Municipality shall be entitled to cancel the contract and appoint a substitute Service Provider should it be apparent that the service provider is in default of complying too the MPRA and deadlines of any other stage of the project after the service provider has been advised in writing by the municipality. In such event, Service Provider will supply municipality with all data collected in his possession and municipality reserves the right to offset any payment due to Service Provider against the cost of appointing another person to fulfil the requirements of this agreement. If the cause of delay is due to the municipality not supplying the Service Provider with agreed data, or other delays caused by the municipality themselves, then in such event, the municipality shall not be entitled to enforce this clause.

The Ndlambe Local Municipality shall pay for services rendered after receipt of invoices in accordance with the relevant payment terms and progress stages as per below table:

| <b><i>Stages of Payment of Invoices</i></b>               | <b><i>Portfolio of Evidence POE</i></b>                                              | <b><i>Payment progress</i></b> |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------|
| Stage 1: DOCUMENTATION                                    | Bulk Deeds download,Aerial photographs as per stage 1 on tender specification        | 10% of Contract amount         |
| Stage 2: DATA COLLECTION AND CAPTURING                    | Obtained relevant data applicable to specific property types and market data         | 20 % of Contract amount        |
| Stage 3: VALUATION COMPILATION AND PUBLIC AWARENESS       | Analysis of all data, Valuation report and attendance registers of Public Awareness. | 20% of Contract amount         |
| Stage 4: SUBMISSION OF DRAFT ROLL                         | Draft roll submitted to the Steering Committee                                       | 5% of Contract amount          |
| Stage 5: SUBMISSION OF CERTIFIED ROLL by 28 February 2019 | Certified roll to be submitted to the Municipal Manager                              | 5% of Contract amount          |

|                                                                                                                                 |                                                                                                                              |                        |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Stage 6: ISSUING OF SECTION 49 (1) (a), (i),(ii), (b) & (c) AS PER MPRA                                                         | Government Gazette<br>Copy of the advert of the valuation roll<br>Extracts of the valuation roll                             | 20% of Contract amount |
| Stage 7: OBJECTION REVIEW PROCESS                                                                                               | Proof of attendance for all objection process as per the MPRA<br>Written reasons for adjustments                             | 5% of Contract amount  |
| Stage 8: VALUATION APPEALS BOARD HEARINGS                                                                                       | Proof of attendance of all the sittings of Valuation Appeals Board.                                                          | 5% of Contract amount  |
| Stage 9: CONDUCT AND SUBMISSION OF 1 <sup>st</sup> COMPULSORY SUPPLEMENTARY VALUATION ROLL UP TO THE APPEAL PROCESS OF THE SAME | Submission of 1 <sup>st</sup> Supplementary Valuation roll                                                                   | Nil                    |
| Stage 10: SUBMISSION OF CLOSE-OFF REPORT BY 31 OCTOBER                                                                          | Submit all the documentation (soft and hard copies) used for the preparation of the valuation in terms of section 85 of MPRA | 10% of Contract amount |
| <b>TOTAL</b>                                                                                                                    | 100% of the contract amount                                                                                                  |                        |

**28 MARCH 2018**

**ADV R. DUMEZWENI  
MUNICIPAL MANAGER**