



MEDIA STATEMENT

KZN RATEPAYERS PLEDGE SUPPORT IN FIGHT AGAINST EXCESSIVE RATES DURING “REFRESHING MEETING” WITH MEC MARTIN MEYER

Today, KZN Public Works and Infrastructure MEC, Martin Meyer, held a virtual rates meeting attended by several ratepayer organizations from across the province. The purpose of the meeting was to take the organizations into confidence around how the issue of rates is affecting KZN Public Works and Infrastructure and to share the department’s vision in addressing the payment of rates for assets based across 54 municipalities. The engagement was also an opportunity to get insight into the challenges ratepayers continue to face when dealing with municipalities and how they have addressed these.

MEC Meyer opened the frank discussion by revealing that his department currently has a rates payment obligation of R1,7 billion per annum which is a historical amount going back several decades. In contrast, the department only gets just over R800 million per annum from KZN Treasury to service this historical debt which keeps compounding each year.

The rates is for all 10 067 properties and assets owned by KZN Public Works and Infrastructure which includes schools, clinics, offices, testing stations, buildings and land plots.

The MEC shared that there were already a number of planned interventions to address this debt including selling off unwanted assets owned by the department. As a case of reference, recently the department put out 81 properties up for sale, for which it was paying R25 million in rates per annum. Other measures include ongoing discussions with KZN Treasury to reach an agreement where whenever there is a sale of assets a certain portion of the sale proceeds are ringfenced to go towards the payment of rates.

To the surprise of the ratepayers, MEC Meyer revealed that KZN Public Works and Infrastructure was also being billed incorrectly for rates by municipalities, just like ordinary residents and this is why it was important that the department and ratepayer organizations work together to try find solutions to the billing crisis.

It has become unfortunate that the crisis of incorrect and excessive billing has spread to include schools many of them also being lower quintile schools which serve the poorest communities. This is part of the reason why the annual rates bill for schools stands at R320 million.

During the meeting ratepayers were urged to play an active role by reporting any untoward or suspicious activities taking place on school premises and that as custodians of all provincial government assets, as empowered by the GIAMA ACT (Government Immovable Asset

Management Act), KZN Public Works and Infrastructure officials will immediately institute investigations.

MEC Meyer stressed that this is important as department properties are also found in local communities where ratepayers and residents reside and therefore are encouraged to be eyes and ears that report all concerns to info@kznworks.gov.za.

In response ratepayers expressed a great deal of appreciation for the engagement describing it as “refreshing” and overdue, while jointly praising the department for reaching out to work jointly with stakeholders.

Among issues raised by the ratepayer organizations were concerns around the numerous suspected illegal use of school facilities for the purpose of conducting various business which had posed safety threats to children and the community.

Another was the issue of ageing infrastructure and buildings, especially in eThekweni Municipality, with the ratepayer representatives calling for an urgent sit-down with MEC Meyer to put forward their proposals.

Concerns were also raised around tourism, safety and the ability to attract investment where in some areas these had started seeing a decline.

MEC Meyer revealed that there are ongoing engagements with the KwaZulu Natal Department of Cooperative Governance and Traditional Affairs on legislation governing rates application by municipalities. Following this meeting MEC Meyer also met with the mayor of eMadlangeni Local Municipality to discuss the issue of rates for KZN Public Works assets located in that municipality.

Today’s engagement is part of an ongoing solution-finding approach that the MEC Meyer spearheads which is centred on including all key stakeholders.

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