

Your ref:

Tel: +27 (0) 41 506 1584

Our ref:

PO Box 834, Port Elizabeth, 6000  
Republic of South Africa

Date: 22 August 2022

e-Mail: [cfo@mandelametro.gov.za](mailto:cfo@mandelametro.gov.za)

Who deals with this: S Thys

Councillor R Odendaal  
P O Box 211010  
**THE FIG TREE**  
6033

Dear Councillor

## GENERAL VALUATION PROCESS

Your letter dated 12 August 2022, regarding the above matter, refers.

The contents of your letter have been noted and our response is as follows:

1) Placing a DNC-hold on accounts for which an objection has been submitted

Upon the implementation of the Local Government: Municipal Property Rates Act in 2008, Council decided to put a hold on the accounts of property owners who objected.

It is to be noted that a total of 5 610 objections were received against the 2022 General Valuation. This represents 2% of the total number of 278 633 properties in the metro.

Section 50 (6) of the Local Government: Municipal Property Rates Act (MPRA) state as follows:

*The lodging of an objection does not defer liability for payment of rates beyond the date determined for payment.*

The Budget and Treasury Directorate has no option but to comply with the requirements of the MPRA. Lessons learnt from the processing of objections of previous general valuations indicated that not all objections are successful. The Budget and Treasury Directorate can therefore not support a blanket approach to put a DNC-hold on all affected accounts.

It is acknowledged that errors can occur when determining property valuations in mass. Requests with supporting documents, indicating that the property valuations/category is incorrect have been received from property owners who have objected, requesting a DNC-hold on their accounts until the objection has been finalised. In such instances where it has been found that an obvious error did occur, a DNC-hold is placed on the account.

---

Collectively we can achieve more



2) Waving of the valuation query fee

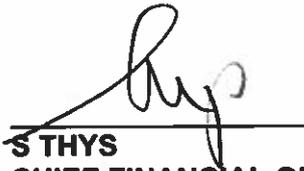
The valuation query fee was approved by Council together with the 2022/23 Annual budget on 21 June 2022. When a property owner is of the opinion that the valuation/category is incorrect and wants his/her property to be revalued the fee is payable.

In the event that a property was substantially incorrectly valued, and the owner did not object, the property owner can submit a request with supporting documents/proof to the Municipal Valuer to review the valuation. If found that an error did occur, based on the information submitted, the Municipal Valuer will revalue the property in terms of Section 78(e) of the MPRA. In such a case it would not be necessary to complete a valuation query form and pay the fee.

3) Establishing of two Valuation Appeal Boards

The MEC is in the process of establishing a new Valuation Appeal Board. The NMBM has raised its concern regarding the previous Appeal Board's slow progress in attending to the appeals and their level of productivity. Officials from the Department of Local Government and Traditional Affairs indicated that they would take the matter in consideration when appointing the new members. They have indicated that once the Appeal Board has been appointed and commences with its hearings, they will monitor its progress.

Yours faithfully



**S THYS**  
**CHIEF FINANCIAL OFFICER**

**Cc: City Manager**