

Thabazimbi Local Municipality



PROPERTY RATES POLICY 2018/2019

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LEGISLATIVE CONTEXT

- 1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004), which specifically provides that a municipality must adopt a Rates Policy.
- 1.2. In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 1.3. In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) a municipality in accordance with.
- a. Section 2(1), may levy a rate on property in its area; and
 - b. Section 2(3), must exercise its power to levy a rate on property subject to.
 - i. Section 229 and any other applicable provisions of the Constitution;
 - ii. The provisions of the Property Rates Act and any regulations promulgated in terms thereof; and
 - iii. The rates policy.
- 1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No.32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.
- 1.5 In terms of Section 62(1) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.
- 1.6 This policy must be read together with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) and any regulations promulgated in terms thereof from time to time.
- 1.7 In terms of section 13 of the Local Government: Municipal System Act no.32 of 2000 as amended; the Thabazimbi Local Municipality hereby published the Property Rates By-laws set forth hereinafter, which have been made by the Municipality in terms of section 6 of the Local Government: Municipal Property Rates Act 6 of 2004.

PREAMBLE

WHEREAS section 229 of the Constitution of the Republic of South Africa empowers municipalities to levy property rates, subject to national legislation;

AND WHEREAS section 2 of the Local Government: Municipal Property Rates Act No. 6 of 2004 is the national legislation that empowers a municipality to levy a rate on property in its area;

AND WHEREAS in terms of section 3(1) of the Local Government: Municipal Property Rates Act No. 6 of 2004 the council of a municipality must adopt a rates policy consistent with the Act on the levying of rates on rateable property in the municipality;

AND WHEREAS section 3(2) of the Local Government: Municipal Property Rates Act No. 6 of 2004 prescribes what issues are to be addressed in the rates policy;

AND WHEREAS any exemptions, rebates or reductions provided for in the Rates Policy must, in terms of section 3(5) of the Local Government: Municipal Property Rates Act No. 6 of 2004, comply and be implemented in accordance with a prescribed national framework;

NOW THEREFORE the Council of the Thabazimbi Local Municipality has adopted the Policy as set out hereunder: -

1. DEFINITIONS

“Act”	means the Local Government: Municipal Property Rates Act, No. 6 of 2004 (Act No. 6 of 2004) as amended;
“Agricultural property”	means a property that is used primarily for agricultural purposes but, without derogating from section 9, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of a the property for the purpose of ecotourism or for the trading in or hunting of game.
“Annually”	means once every financial year;
“Bona fide farmer”	Means a farmer who is carrying on farming operations where his/her actions as well as his/her intentions are genuine intentions to develop land as a farming proposition.
“Business and commercial”	means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with the exclusion of the business of mining, agriculture, farming, or inter alia, any other business consisting of cultivation of soils, the gathering in of crops or the rearing of livestock or consisting of the propagation and harvesting of fish or other aquatic organisms.
“Category”	(a) in relation to property, means a category of properties determined in terms of Section 7 of this policy; and (b) In relation to owners of properties, means a category of owners determined in terms of Section 5 of this policy.
“Exemption”	in relation to the payment of a rate, means an exemption granted by a Municipality in terms of Section 15 of the Act;
“Illegal use”	Condoning the use thereof the property will be valued in accordance with section 46(2)(b) & (c) of the Act.
“Industrial”	Means a branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, on so large scale that capital and labour are significantly involved.

<i>“Indigent”</i>	means an indigent person referred to in the Indigent Policy of the Council
<i>“Multiple purpose”</i>	in relation to a property, means the use of a property for more than one purpose;
<i>“Municipal properties”</i>	Means those properties of which the municipality is the registered owner.
<i>“Mining”</i>	means any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;
<i>“Owner”:</i>	a judicial manager, in the case of a property in the estate of a person under judicial management; (v) a curator, in the case of a property in the estate of a person under curatorship; (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude; (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;
<i>“Permitted Use”</i>	Means the limited purposes for which the property may be used in terms of: I. A condition of title. II. A provision of the Thabazimbi applicable Town Planning or land use scheme as amended from time to time. III. Any legislation applicable to any specific property or properties.
<i>“Pensioner”</i>	refers to a person who is at least 60 years of age and is in receipt of a total monthly income from all sources (including the income of the spouse of the owner) not exceeding an amount to be determined by the Council;
<i>“Property”</i>	means: (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person; (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;

- (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- (d) public service infrastructure

“Publicly controlled”

means owned by or otherwise under the control of an organ of state, including:

- (a) a public entity listed in the Public Finance Management Act 1999 (Act No 1 of 1999);
- (b) a municipality; or
- (c) a municipal entity as defined in the Municipal Systems Act 32 of 2000

“Public service infrastructure”

means publicly controlled infrastructure of the following kinds:

- (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
- (b) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
- (c) power stations, power substations or power lines forming part of an electricity scheme serving the public;
- (d) railway lines forming part of a national railway system;
- (e) communication towers, masts, exchanges or lines forming part of a communications system serving the public;
- (f) runways aprons and the air traffic control unit at national or provincial airports; including the vacant land known as the obstacle free zone surrounding these, which must be vacant for the air navigation purposes;
- (g) any other public controlled infrastructure as may be prescribed; or
- (h) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i);

“Rate”

means a municipal rate on property envisaged in Section 229(1)(a) of the Constitution;

“Rateable property”

means property on which a municipality may in terms of Section 2 of the Act levy a rate, excluding property fully excluded from the

“Ratio”	levying of rates in terms of Section 17 of the Act; means the relationship between the cent amount in the rand applicable to residential properties and different categories of non-residential properties:
“Rebate”,	in relation to a rate payable on a property, means a discount granted in terms of Section 15 of the Act on the amount of the rate payable on the property;
“Reduction”,	in relation to a rate payable on a property, means the lowering in terms of Section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount;
“Residential property”	means a property included in a valuation roll in terms of section 48 (2) (b) as residential; also refer to Chapter 1 section (1);
“Smallholding”	refers to property, whether improved by the construction of a dwelling or not, not large enough to support a commercially viable farming operation, but able to provide a subsistence level of output to the owner of the property;
“Vacant land”	Means a property where no immovable improvements have been erected or improved property with the improvements contributing less than 10% of the market value of the property but excludes vacant land forming part of the remainder of a township.

2. BACKGROUND

2.1. INTRODUCTION

The Local Government Municipal Property Rates Act (Act no 6 of 2004) as amended from time to time requires a municipality to develop and adopt a rates policy consistent with the Act on the levying of rates on rateable property in the Municipality. Property rates are the most reliable source of revenue for the Municipality. Services financed from rates include installation and maintenance of streets, roads, sidewalks, lighting, and storm water drainage facilities, building and operating clinics, parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration such as computer equipment, stationery, and costs of Governance, such as Council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets. The Council has resolved, in compliance with the provision of the Act, to impose a rate and as a consequence, this rates policy has been developed within the parameters of the applicable legislation relating to property rates.

2.2. GUIDING PRINCIPLES

The following principles will ensure that the Municipality treats persons liable for rates equitably in terms of the Act:

- (a) Ratepayers with similar properties will pay similar levels of rates
- (b) The ability of ratepayers to pay their rates will be taken into account by the Council in dealing with the indigent's ratepayers. The municipality will provide relief measures through exemptions, reduction and rebates.
- (c) The determination of the tariffs and the levying of rates must allow the Council to promote local, social and economic development.
- (d) The municipality will in amending this policy commits itself to a process of community participation.

2.3. STRATEGIC MOTIVATION

In determining the rates, exemptions, rebates and reductions, the Council may consider the following:

- (a) the impact of rates on the community;
- (b) the impact of rates on business;
- (c) the Integrated Development Plan (IDP) of Council;
- (d) the impact of rates on the Local Economic Development (LED) strategy of the Council;
- (e) the impact of the new rating system on poor residential households and agricultural communities;
- (f) when determining the rates on properties the following aspects must be taken into account namely:
 - (i) the effects of rates on the poor, including appropriate measures in order to alleviate the rates burden on them; and
 - (ii) the effect of reaching the objectives set out in paragraph 2.4 of this policy.

(g) In developing or amending this policy, the Council commits itself to a process of community participation as envisaged in section 4 of the Act and chapter 4 of the Municipal Systems Act, 2000 (Act No 32 of 2000) (MSA). In addition to the requirements laid down in the MSA, the Council will engage interested parties and structures, such as ratepayer organisations, directly in the process of community participation. In addition, use will be made of established community consultation structures, such as Ward committees, to ensure thorough participation with regard to the afore-mentioned process.

3. POLICY PRINCIPLES

3.1. Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.

3.2. As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property as contemplated in clause 7 and 8 of this policy. Some categories of property and categories of owners are granted relief from rates as contemplated in clause 11 to 13 of this policy. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis.

3.3. There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation and in accordance with clause 16 of this policy.

3.4. In accordance with section 3(3) of the Act, the rates policy for the municipality is based on the following principles:

(a) Equity- The municipality will treat all ratepayers with similar properties the same.

(b) Affordability- The ability of a person to pay rates will be taken into account by the municipality.

In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.

(c) Sustainability- Rating of property will be implemented in a way that:

ii) It supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and

iii) Supports local social economic development.

(d) Cost efficiency- Rates will be based on the value of all rateable property and will be used to fund community and subsidised services after taking into account surpluses generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. OBJECTIVES OF THE POLICY

The key objectives of the policy are to:

(a) Ensure that all owners of rateable property are informed about their liability to pay assessment rates;

(b) specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates contemplated in section 8 of this policy and section 15 of the Act;

(c) Set out the criteria to be applied by the Council if it increases rates and levies differential rates on different categories of property;

(d) Provide for categories of public benefit organisations, approved in terms of Section 30(1) of the Income Tax Act, 1962 (Act no 58 of 1962) as amended, which ratepayers are eligible for exemptions, reductions and rebates and therefore may apply to the Council for relief from rates;

- (e) Recognise the state, organs of state and owners of public service infrastructure as property owners;
- (f) Not discourage the development of property;
- (g) Ensure that all persons liable for rates are treated equitably as required by the Act;
- (h) Determine the level of increases in rates; and
- (i) Provide for exemption, rebates and reductions.

5. ANNUAL OPERATING BUDGET AND POLICY REVIEW

The Council must annually consider the levying of rates during the annual budget process when it is tabled in the council in terms of section 16(1) of the Municipal Finance Management Act, and if necessary, amend its rates policy. Any amendments to the rates policy must take into account public comments and inputs.

In determining the level of increases in the rates, the criteria to be applied include the following:

- (a) The inflation rate as indicated by the consumer price index;
- (b) Take into consideration the medium term budget growth factors as determined by National Treasury guidelines.

6. LEVYING OF RATES

6.1. RATE TO BE LEVIED ON ALL RATEABLE PROPERTIES

4.1.1 When levying rates, the Council must, subject to section 7 (1) of the Act levy rates on all rateable property in its area.

4.1.2 Section 7(2) of the Act does not:

- (a) Oblige a municipality to levy rates on:
 - (i) Properties of which the Council is the owner;
 - ii) Public service infrastructure
 - iii) Properties referred to in (b) of the definition of “property” of this policy; or
 - iv) properties in respect of which it is impossible or unreasonably difficult to establish a market value because of legally insecure tenure resulting from past racially discriminatory laws or practices including rural areas without individual legal title.; or
- (b) Prevent the Council from granting in terms of section 15 (1) of the Act exemptions from, rebates on or reductions in rates levied.

4.1.3 Council will levy rates on leased properties unless provided otherwise in terms of the lease agreement.

4.1.4 State owned property no longer qualifies for any rates rebate by virtue of ownership. However, the exemptions, rebates and reductions relating to the usage of properties as specified in this Property Rates Policy would apply.

6.2. AMOUNT DUE FOR RATES

A rate in the rand is determined annually by the Council during the budget process.

6.3. PERIOD FOR WHICH RATES MAY BE LEVIED

In terms of Section 12 of the Act,

(a) When levying rates, a municipality must levy the rate for a financial year and the rate lapses at the end of the financial year for which it was levied.

(b) The levying of rate must form part of the municipality's annual budget process and a municipality must annually during its budget process review the amount in the Rand of its current rates in line with its annual budget for the next financial year.

(c) The rates levied for a financial year may not be increased during the financial year, as provided for in Section 28(6) of the Municipal Finance Management Act.

6.4. THE EFFECTIVE DATE OF THE RATES POLICY

The rates policy takes effect from 1 July 2018 and subject to review on an annual basis.

7. DIFFERENTIAL RATES

In terms of section 19 of the MPRA the municipality may levy different rates for different categories of rateable property as determined in subsection (2) and (3) of the Act, which categories **must** be determined according to the-

- (a) Use of the property;
- (b) Permitted use of the property/approved Zoning; or
- (c) a combination of (a) and (b)**

8. DIFFERENT CATEGORIES OF PROPERTIES

Different rates may be levied in respect of the following categories of rateable properties as prescribed in **section 8 of the Act**

Categories of rateable property for purposes of levying differential rates

- (a) Residential properties
- (b) Business and commercial properties
- (c) Industrial properties
- (d) Mining properties
- (e) State-owned properties use for public service purposes
- (f) Public Service Infrastructure properties
- (g) Agricultural properties
- (h) Agricultural properties use for eco-tourism and hunting / trading and rearing of game
- (i) Properties used for multiple purposes
- (j) Public Benefit Organisation
- (k) Vacant Land
- (l) Private Open Space
- (m) Religious use

As per section 9.2 of the Act the following criteria will apply to the valuation and rating of multiple use properties within the Municipality:

- a) Apportionment of the market value of a property to the different purpose for which the property is used and;
- b) Application of the relevant rate to each of the components of the property, based on its value.

9. CATEGORIES OF OWNERS

The Municipality has determined the following categories in terms of section 8(1) of the MPRA:

- (a) Residential Properties
 - I. Residential property
 - II. Sectional title
 - III. Privately Developed Estates
- (b) Industrial properties
- (c) Business and commercial properties
- (d) Farm properties used for:
 - I. Agricultural purposes
 - II. Other business and commercial purposes
 - III. Residential purposes
 - IV. Purposes other than those specified in subparagraphs (i) and (ii)
- (e) Farm Properties not used for any purpose
- (f) Small holdings used for;
 - I. Agricultural purposes
 - II. Other business and commercial purposes
 - III. Residential purposes
 - IV. Purposes other than those specified in subparagraphs (i) and (ii)
- (g) State owned properties
 - I. State owned properties for schools
 - II. Private commercial activities on state-owned properties
- (h) Municipal Properties
 - I. Private commercial activities on municipal properties
 - II. Residential occupied dwellings on municipal properties
- (i) Public Service Infrastructure
- (j) Public Service Infrastructure, Privately owned towns serviced by the owner
- (k) Formal and informal settlements
- (l) Mining purposes
- (m) Vacant land

The rate applicable on agricultural property as contained in the definition of farm property, and as prescribed by the Municipal Property Rates Regulations which took effect from 1 July 2009:

The ratio in relation to properties are:

Residential property 1:1, Agricultural property 1:0.25, Business 1: 1.6, Industrial 1: 1.8

The rate applicable on property registered as Public Benefit Organisation, as prescribed by the Municipal Property Rates Regulations published in Government Notice No. 33016 of 12 March 2010 that took effect on 1 July 2010, may not exceed the ratio to the rate on residential properties where: The ratio in relation to residential property is: Residential property 1:1 Public Benefit Organisation property 1:0.25

10. CRITERIA FOR EXEMPTIONS, REDUCTIONS AND REBATES

The following will be taken into consideration for the purpose of granting exemptions, reductions and rebates:

- (a) Indigent status of the owner of a property
- (b) Sources of income of the owner of a property; and
- (c) Social or economic conditions of the area where the owners of property are located e.g. an area declared by the national or provincial government to be a disaster area within the meaning of Disaster Management Act 57 of 2002, to the extent that the property was significantly negatively affected.

11. EXEMPTIONS, REDUCTIONS AND REBATES

Impermissible Rates: In terms of section 17(1) of the Property Rates Act the municipality may, inter alia, not levy a rate: -

a) On those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, residential or agricultural purposes.

11.1. RESIDENTIAL

The Council may grant a reduction in the market value of residential property by resolution of the Council, to be read with section 17(1) (h) of the Act regarding impermissible rates on the first R15 000, which are exclusively used for residential purposes.

11.2. INDIGENT OWNERS

The Council has adopted an Indigent Policy that provides for the alleviation of the rates burden on the low income sectors of the community within the Municipality. Owners of property who qualify for the assistance provided by this Policy must make application to access the relief provided.

11.3. CHILD HEADED HOUSEHOLDS

The Council has adopted an Indigent Policy that provides for the alleviation of the rates burden on child headed households within the Municipality. Qualifying households must make application to access the relief provided in terms of Indigent Policy.

11.4. PENSIONERS

Pensioners may receive a rebate as determined by the Council, subject to the following conditions: The applicant/s must be:

- i) Be registered owners of the property;
- ii) Must be 60 years or more of age upon application;
- iii) The property concerned must consist of one dwelling and no part thereof is sub-let, be occupied only by the applicant and his/her spouse, if any, and dependents without income;
- iv) Must submit proof of his/her age and a valid identity document and proof of income
- v) The property must be categorised as "residential".

12. MUNICIPAL

Properties owned by Council and used for purposes of service delivery are exempted from paying rates. Municipal properties that are leased or rented out will be categorised and levied in accordance with the provisions of the policy.

13. PUBLIC BENEFIT ORGANISATIONS / NON GOVERNMENTAL ORGANISATIONS AND CULTURAL ORGANISATIONS

The following Public Benefit Organisations/ Non-Governmental Organisations may be exempted from paying rates as determined by council from time to time:

a) Welfare & Humanitarian Institutions

Properties used exclusively as an orphanage, non-profit retirement villages, old age home or other non-profit institution for the benefit of the public or a section thereof, provided that any profits from the use of the property are used entirely for the benefit of the institution and / or for charitable purpose.

b) Animal Welfare

Property registered in the name of and used by institutions/ organisations whose exclusive aim is to protect birds, reptiles and other animals on a non-profit basis.

14. PUBLIC AND PRIVATE SCHOOLS, AND COLLEGES

The following categories of owners may receive a rebate as determined by Council from time to time:

(a) Public schools which are State funded:

(b) Private schools which are not State funded in terms of section 34 of the South African Schools Act, 1996 (Act No. 84 of 1996) and are registered as independent schools in terms of the South African Schools Act, 1996 (Act No. 84 of 1996) and

(c) Technical and other colleges

15. MULTIPURPOSE PROPERTIES

In case of multiple purpose properties will be valued in terms of section 9(2) of the Municipal property rates Act, apportioned and assigned to dominant use of the property irrespective of the permitted use in terms of the Town planning scheme.

16. PUBLIC SERVICES INFRASTRUCTURE

In terms of section 17(1) of the Act, Public Service Infrastructure will not be rated on the first thirty (30) percentage of the market value.

17. CORRECTION OF ERRORS AND OMISSIONS

Where the rates levied on a particular property have been incorrectly determined, either because of an error, or omission, on the part of the municipality, or false information provided by the property owner concerned, or in contravention of the permitted use, to which the property concerned have been categorised, the rates payable shall be appropriately adjusted. The period of which the correction will be done, will be a back charge from the date the omission and or error were found

18. LIABILITY FOR RATES

18.1 PROPERTY RATES PAYABLE BY OWNERS

(a) Rates levied on a property must be paid for by the owner of the property.

(b) Joint owners are jointly and severally liable for payment of rates on the property.

(c) The municipality will issue monthly statements to the latest address on the municipality's records. However Rates payers remain liable for the payment of rates irrespective if an account has been received, or not received. If the account was not received the onus shall be on the rate payer concerned to enquire with the municipality on any outstanding accounts.

(d) A special rate will be required for each Section 78 application after the period allocated in terms of section 49 of the Act has lapsed.

18.2 METHOD AND PERIOD OF PAYMENT:

Council shall recover an annual levy payable:

(a) On a monthly basis in twelve (12) near equal instalments on or before the due date as determined by council; or

(b) A once off amount (1), annually amount, as may be agreed to with the owner of the property on or before the due date as determined by council

(c) Interest on arrear rates, shall be charged at the rate as approved by council, from time to time.

18.3 PAYMENT AND RECOVERY OF RATES

Payment and recovery of rates shall be in accordance with Council's Credit Control and Debt Collection policy, all relevant By-laws and in accordance of Section 28 and 29 of the Municipal Property Rates Act.

19. COMMUNITY PARTICIPATION

16.1. Before the municipality adopts the rates policy, the municipal manager will follow the process of community participation envisaged in chapter 4 of the Municipal Systems Act and comply with the following requirements:

16.1.1. Conspicuously display the draft rates policy for a period of at least 30 days at the municipality's head and satellite offices and libraries (and on the website).

16.1.2. Advertise in the media a notice stating that the draft rates policy has been prepared for submission to council and that such policy is available at the various municipal offices and on the website for public inspection (property owners and interest persons may obtain a copy of the draft policy from the municipal offices during office hours at a prescribed fee per copy). Property owners and interest persons are invited to submit written comments or representations to the municipality within the specified period in the notice.

16.1.3. Council will consider all comments and/or representations received when considering the finalisation of the rates policy.

20. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY

As required by section 6 of the MPRA the municipality will adopt By-laws to give effect to the implementation of the Rates Policy and such By-laws may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.

21. DISCLAIMER

If any dispute takes place about application of the rates policy, the aggrieved party must submit in writing a letter to the Municipal Manager. If the matter has not been resolved within

30 days of the date the letter has been submitted, the aggrieved must submit a second letter to the municipal manager, indicating that this is a second letter submitted on the same issue. If the Municipal Manager does not respond in writing within 14 days of receipt of the second letter, the aggrieved rate payer will be deemed to enter into a dispute with the municipality, in terms of section 102 (2) of MSA.