

**23 June 2023**

**To: Mr Floyd Brink**  
**Municipal Manager**  
**City of Johannesburg**

**Per:** [REDACTED]  
[REDACTED]

**TO: Malope Ramagaga**  
**Acting Group Head of RSSC**  
**City of Johannesburg**

**PER:** [REDACTED]

Dear Mr Brink,

**RE PROPERTY RATES OBJECTIONS AND NEW PROPERTY RATES INCREASES IN JULY 2023**

1. The General Valuation Roll 2023 (GVR 2023) by the City of Johannesburg (CoJ) hereby has reference.
2. Firstly, we acknowledge the amended property rates relief to pensioners within the City and would like to thank the City for its consideration and implementation of this. This will bring relief to a lot of the City's elderly.
3. Unfortunately, the City continued with a property rates increase of 2% which adds to the concern of sustainability and affordability for ratepaying property owners in the CoJ.
4. Further to this is the pressure the new valuations will put on these residents as soon as these additional increases start applying to their municipal bills from July 2023.
5. It has come to OUTA's attention that some property owners only received their formal notification (Section 49 notice) from the City listing the updated municipal valuation for their

properties in the GVR 2023 by the end of May 2023, which is after the extended deadline date of the 5<sup>th</sup> of May 2023.

6. It is our understanding that the new municipal rates charged to property owners in July 2023 will be based on the property valuations conducted by the CoJ internal valuations team whom conducted property valuations of 934 652 property owners which was determined through a process that estimated the amount on what the property would have sold for on 1 July 2022 in the open market by a willing seller to a willing buyer.
7. We do believe that the method used by the CoJ valuers may open the CoJ up to make mistakes with regards to fairness and reasonableness when it comes to these property values which poses significant financial implications to these property owners with regards to affordability.
8. It has come to our attention that some of the properties valued by the CoJ valuers far exceeds the amount of a willing buyer willing seller in the valuation period.
9. In our efforts to support both the City and property owners in GVR 2023 valuation process, we engaged with the City and encouraged public participation to ensure a more reasonable and fair process.
10. With the information we have available, more than 100 000 property owners participated in the valuation roll with thousands objecting to unreasonable property rates increases.
11. With this in mind, and the recent disruptions within the CoJ that had a direct effect on service delivery, we would like to ask the CoJ to consider the following:
  - 11.1 Flagging all accounts whom have formally objected to the new proposed valuations within the GVR 2023; and
  - 11.2 To apply only the 2% property rates increase as per the approved budget of 2023/24 until such an objection has been resolved.

12. We believe that this will bring relief to residents and businesses and create a fair process until a credible conclusion has been reached between the CoJ and the particular ratepayer.
13. We believe that by taking these necessary actions, the CoJ will prove its commitment to serve its residents better and avoid further administrative burdens and fruitless litigation.
14. Should the City have any objection to the above mentioned proposals by OUTA, we invite the CoJ for an engagement to discuss the issues at hand in a constructive manner.
15. Kindly provide OUTA with feedback by no later than close of business on the **Wednesday, 28 June 2023**. We need to address this matter urgently due to the looming tariff increases that will apply from 1 July 2023 please.
16. We trust that the CoJ also comprehends the urgency of this matter.

Kind regards,

**Julius Kleynhans**

**Executive Manager: Social Innovation**