

**Minutes from the meeting with the meeting with Ingonyama Trust Board**  
**Date: 27<sup>th</sup> February 2006, 14h30,**  
**Department of Land Affairs, Pietermaritzburg**

**Present:** L Raubenheimer

C Aitken

L Couzens

J Channing

C Dalby

**1. Welcome**

Mr Aitken chaired the meeting and welcomed everyone present.

**2. Update: Overview of the Provincial Plan of Action**

The Ingonyama Trust Board is invited by the Department to address a MPRA Implementation workshop to be held 24<sup>th</sup> March 2006 about the challenges of both valuing and rating Ingonyama Trust Board property. Given the political sensitivity attached this issue it is important that the approach to the valuation and rating be standardised throughout the province. As this date clashes with a Board meeting Mr Aitken undertook to find a speaker to make the presentation to the workshop where the target audience would be officials from local municipalities.

**3. Strategies towards the uniform roll out of rating traditional land**

**3.1 Legal clarification of 'publicly controlled' and 'state trust land'**

The legal opinion drafted by C Dalby was presented and discussed. Given the comments from Adv Raubenheimer this opinion would be reviewed and re-submitted to the ITB for discussion. The purpose of the opinion is to provide local municipalities with a better understanding of how to address the valuation and rating of ITB property. This document is to be published on the MPRA website as a resource document. It was stressed that this information should be accessible to the local municipalities in terms of the language used, ie. Avoid legal terminology which is difficult for the layman to understand.

C Dalby to liaise directly with C Aitken and ensure that a final opinion is prepared ahead of the next meeting of this working group, 10<sup>th</sup> April 2006.

### **3.2 Feedback from DPLG/other provincial experiences**

The Department reported that a bilateral meeting with DPLG had raised this matter and guidance was sought. No other provinces have a similar land ownership model so best practise will have to be developed. An Inter Provincial Task Team was to meet 22<sup>nd</sup> and 23<sup>rd</sup> March where the matter would be raised with other Local Government colleagues.

### **3.3 Data collection: commercial leases, PTO's, unregistered businesses**

It was agreed that in the interests of good and co-operative governance the ITB would make available information accessible to local municipalities to use for the preparation of their General Valuation Rolls. It is noted that some local municipalities have a large area of property falling under the jurisdiction of the ITB. This land must all be valued in terms of the legislation only to the extent that the municipality intends to levy a rate on these properties (Section 30(2)9a)). Another clause worth mentioning is that the Minister may fully or partially exempt a municipality from the obligation to value properties if the municipality can demonstrate that the valuation of these properties is too onerous to it. (Section 30 (2)(b))

The ITB reported that an audit of PTO's would be available in April 2006. Details of commercial leases are also available as rateable entities. Of concern is the large number of businesses operating without a PTO or commercial lease ("pirates"). It was also noted that much of the ITB land is in deep rural areas without the privileges of local municipal services.

The recommendation is that the ITB consider establishing a data base containing property information on all their properties. It was heard that this process would be required ahead of the transfer of land ownership to

community applicants through the Communal Land Rights Act (CLARA) The regulations for this Act are currently being drafted and promulgation is expected shortly. The requirements for drafting such a data base would be prepared by the Department and would form a proposal to the ITB. This draft would be prepared by 3<sup>rd</sup> April for consideration by the ITB. The proposal would form the focus of discussion at the next meeting.

As recipients of land through CLARA communities would be deemed to be land reform beneficiaries in terms of the MPRA and enjoy a rates 'holiday' for the initial 10 years after acquisition of the land and then a further 4 year phasing in period as newly incorporated rate payers.

4. Notice of the next meeting: 10<sup>th</sup> April 2006, 13h30 at Dept of Land Affairs.  
Notice of the next provincial Steering Committee meeting: 21<sup>st</sup> April 2006

5. Closure.