

15 December 2022

CHAIRMAN-KOUGA BUSINESS FORUM  
DRIES DU PREEZ

**RE: MUNICIPAL RATES AND POLICY**

Your letter dated 12 December 2022 in the above regard refers.

I would like to respond on your proposed way forward as follows.

- A. HOA's will from today start to receive letters from Kouga Municipality on the way forward with regards to their individual HOA's. All HOA's will have received their letters from Kouga Municipality by next week. The discussions about the impact of the loss of 20% discount on property rates by certain HOA's are handled on an individual basis in one on one engagements and is dependent on prior service level agreement conditions.
- B. Kouga Municipality proposes to engage separately with the Kouga Business Chamber during the public participation process for the 2023/24 budget consultation phase. We agree that we will strive to have as close as possible to 0% increases on property rates for business erven as well as vacant properties. Please keep in mind that a new general valuation for 2023/24 financial year will be implemented and properties may not increase in value at the same rate. A new cent in the rand rate will have to be calculated and the effect won't be the same for these properties.

All Private Public Open Spaces will be zero rated effective from 1 July 2023. Please note that property rates tariff changes cannot be changed in the middle of a financial year.

Kouga Municipality will apply to the Department of Cooperative Governance and Traditional Affairs for a new category to be established for Old Age Homes and Frail Care Centre with the intention of giving them a reasonable rates discount given the limited income of especially older pensioners. This to be implemented after the Department of Cooperative Governance and Traditional Affairs approval.

Kouga municipality will also revisit its service delivery policies to increase its discounts to Pensioners.

- C. We propose the 11<sup>th</sup> or 12<sup>th</sup> of January for a confidential meeting between Kouga Municipality and Kouga Business Forum to discuss possible policy changes. We could jointly compile the agenda for such a meeting.

Trusting that you find the above in order.

Yours faithfully,



**C. DU PLESSIS**  
**MUNICIPAL MANAGER**