



MUNICIPAL DEMARCATION BOARD

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Hon. T E Chaane
 Chairperson: Select Committee on Appropriations

Dear Hon. T E Chaane

RE: INVITATION TO ATTEND PUBLIC HEARING ON THE MEDIUM TERM BUDGET POLICY STATEMENT

I have the pleasure to submit our written comments regarding the above subject.

Legislative mandate

Section 4 of the Local Government: Municipal Demarcation Act 27 of 1998 provides that the Board must determine municipal boundaries in accordance with this Act and other appropriate legislation, enacted in terms of Chapter 7 of the Constitution and must render an advisory service in respect of matters provided for in this Act and other appropriate legislation.

Municipal Boundary Re-determinations

Every five years, the Board undertakes municipal boundary redeterminations at its own initiative or through an application for a municipal boundary review by any interested party. During the current cycle of boundary redeterminations i.e. (2011 – 2016), the Board has re-determined municipal boundaries throughout the Republic, of which major municipal boundary re-determinations are 2 (two) in the Gauteng and 9 (nine) in the Kwazulu-Natal Provinces. The table below provides details of each major municipal boundary re-determinations.

GAUTENG		
DEM4058_2	Randfontein Local Municipality (GT482) and Westonaria Local Municipality (GT483)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Randfontein Local Municipality (GT482) and Westonaria Local Municipality (GT483), by amalgamating Randfontein Local Municipality (GT482) and Westonaria Local Municipality (GT483) into a single category B Local Municipality.
DEM4059_3	Emfuleni Local Municipality (GT421), Midvaal Local Municipality (GT422), Sedibeng District Municipality (DC42), Lesedi Local Municipality (GT423) and	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 read with section 2 and 4 of the Local Government: Municipal Structures Act 117 of 1998, the Municipal Demarcation Board has re-determined the municipal boundaries of Emfuleni Local Municipality (GT421), Midvaal Local Municipality (GT422), Lesedi Local Municipality (GT423), Sedibeng District Municipality (DC42) and Ekurhuleni Metropolitan Municipality (Eku), by excluding Emfuleni Local Municipality (GT421) and Midvaal Local Municipality (GT422) from the municipal area of

	Ekurhuleni Metropolitan Municipality (EKU)	Sedibeng District Municipality (DC42), and by amalgamating them into a new single Category A Metropolitan Municipality, and excluding Lesedi Local Municipality (GT423) from the municipal area of Sedibeng District Municipality (DC42), and by including it into the municipal area of Ekurhuleni Metropolitan Municipality (EKU)
KWAZULU NATAL		
DEM4067	The Big 5 False Bay Local Municipality (KZN273) and Hlabisa Local Municipality (KZN274)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Hlabisa Local Municipality (KZN274) and Big False Five Bay Local Municipality (KZN273), by amalgamating the municipal area of Hlabisa Local Municipality (KZN274) and The Big False Five Bay Local Municipality (KZN273) into one municipal area in Umkhanyakude District Municipality (DC27)
DEM4097	Eziqoleni Local Municipality (KZN215) and Hibiscus Coast Local Municipality (KZN216)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Eziqoleni Local Municipality (KZN215) and Hibiscus Coast Local Municipality (KZN216), by amalgamating the municipal area of Eziqoleni Local Municipality (KZN215) and Hibiscus Coast Local Municipality (KZN216) into one municipal area in Ugu District Municipality (DC21)
DEM4141	Imbabazane Local Municipality (KZN236), Umtshezi Local Municipality (KZN234) and Uthukela District Municipality (DC23)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Imbabazane Local Municipality (KZN236) and Umtshezi Local Municipality (KZN234) by amalgamating the municipal area of Imbabazane Local Municipality (KZN 236) and Umtshezi Local Municipality (KZN 234), into one municipal area in Uthukela District Municipality (DC23).
DEM4142	Indaka Local Municipality (KZN233), Emnambithi/Ladysmith Local Municipality (KZN232), Uthukela District Municipality (DC23)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Indaka Local Municipality (KZN233) and Emnambithi Local Municipality (KZN232), by amalgamating Indaka Local Municipality (KZN233) and Emnambithi Local Municipality (KZN 232), into one new municipal area in Uthukela District Municipality (DC23).
DEM4143	Msinga Local Municipality (KZN244), Umzinyathi District Municipality (DC24), Umvoti Local Municipality (KZN245) and Umzinyathi District Municipality (DC24)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Msinga Local Municipality (KZN244) and Umvoti Local Municipality (KZN245) by excluding ward 12 from the municipal area of Msinga Local Municipality (KZN244) and by including it into the municipal area of Umvoti Local Municipality (KZN245)
DEM4150	Kwa Sani Local Municipality (KZN432), Ingwe Local Municipality (KZN431)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Kwa Sani Local Municipality (KZN432) and Ingwe Local Municipality (KZN431) by amalgamating the municipal area of KwaSani Local Municipality (KZN432) and Ingwe Local Municipality (KZN431), into a new municipal area in Sisonke District Municipality (DC43)
DEM4060	Vulamehlo Local Municipality (KZN211) and	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of

	Umdoni Municipality (KZN212)	Local	Vulamehlo Local Municipality (KZN211) and Umdoni Local Municipality (KZN212) by excluding th
DEM4154	Ntambanana Municipality (KZN283) and Mthonjaneni Municipality (KZN285)	Local and Local	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Ntambanana Local Municipality (KZN283) and Mthonjaneni Local Municipality (KZN285), by excluding wards 1,2,3 4 and a portion of ward 6 from the municipal area of Ntambanana Local Municipality (KZN283) and by including them into the municipal area of Mthonjaneni Local Municipality (KZN285)
DEM4176	Ntambanana Municipality (KZN 283) and Umhlatuze Municipality (KZN 282)	Local (KZN) and Local (KZN)	In terms of Section 21 of the Local Government: Municipal Demarcation Act 27 of 1998 the Municipal Demarcation Board has re-determined the municipal boundaries of Ntambanana Local Municipality (KZN 283) and Umhlatuze Local Municipality (KZN 282) by excluding wards 5,7, 8 and portion of ward 6 from the municipal area of Ntambanana Local Municipality (KZN283), and by including them into the municipal area of Umhlatuze Local Municipality (KZN282)

Depending on the number of registered voters affected by the municipal boundary changes, the date of commencement of the boundary re-determination will either takes effect on the next municipal financial year or the next local elections.

Implications of Board decisions on the MTBPS

Experience has shown that, where there are major changes to municipal boundaries, the transition period is highly involved and requires both financial and non-financial resources to support affected municipalities with amalgamations and restructuring.

In terms of section 14(2)(b) of the Local Government: Municipal Structures Act 117 of 1998, such restructuring or reorganisation may include amongst others:

- The transfer of staff from an existing municipality to the superseding municipality, or if there is more than one superseding municipality, to any of those superseding municipalities.
- The transfer of assets, liabilities, rights and obligations, and administrative and other records, from the existing municipality to the superseding municipality
- The continued application of any by-laws and resolutions of the existing municipality to or in that area, and the extent of such application.

To this end, the Board wishes to advise the Committee of the need to consider allocating financial resources by way of a special grant to affected municipalities, which would assist with the preparatory work for restructuring of the aforementioned municipalities. Such resources should be made available for the financial years, 2014/15 and 2015/16, prior to the local elections.

I wish to thank the Committee for your invitation to submit comments in this regard.

I trust you will find this in order.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'L' followed by a horizontal stroke and a vertical stroke extending downwards.

Mr Landiwe J Mahlangu
Chairperson