

**NATIONAL TREASURY**

No. 114

19 February 2010

**LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003: EXEMPTION GRANTED TO CAPE WINELANDS DISTRICT MUNICIPALITY IN TERMS OF SECTION 177(1)(b) OF THE ACT FROM COMPLIANCE WITH SECTION 28(6) OF THE ACT**

I, Pravin Gordhan, Minister of Finance, acting in terms of section 177(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), hereby exempt the Cape Winelands District Municipality from compliance with section 28(6) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) subject to the conditions set out in the Schedule hereto.



**PRAVIN GORDHAN**  
**MINISTER OF FINANCE**

**SCHEDULE****Exemption**

1. The Cape Winelands District Municipality is hereby exempted from complying with section 28(6) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), but only to the extent that the section prevents the municipality from increasing property rates in the District Management Areas of the District Municipality, in the current financial year, in order to correct an omission in the 2009/2010 budget.

**Conditions**

2. The exemption granted in terms of Item 1 is subject to the following conditions:
- (a) the exemption is applicable only until 30 June 2010;
  - (b) the Cape Winelands District Municipality must conduct public consultation processes in the respective communities that will be affected for a period as determined by the municipal council; and
  - (c) the tariff increase, to which this exemption applies, is strictly limited to a property rates increase, which must be introduced only after taking into account the impact of the increased property rates on poor households.