CIRCULAR 2 OF 2021

To: Minister of Cooperative Governance and Traditional Affairs
MECs of Provincial Departments responsible for Local Government
Chairpersons of National & Provincial Houses of Traditional Leaders
President of South African Local Government Association
Chairperson of Independent Electoral Commission
Mayors of affected Metropolitan, District and Local Municipalities
Speakers of all Metropolitan, District and Local Municipalities
HOD’s of Provincial Departments responsible for Local Government
PEO’s of Independent Electoral Commission
Municipal Managers Metropolitan, District and Local Municipalities
Chief Surveyor General
Chief Electoral Officer
Chief Executive Officer of SALGA
Statistician – General
Members of extended Boundaries, Powers and Function Committee
Members of Local Elections Technical Committee and Members of the Public

Dear Sir/Madam,

CIRCULAR 2/2021: GENERAL INFORMATION CIRCULAR

PURPOSE
1. To advice on plans for the municipal boundary redetermination process from 2021 to 2023.

INTRODUCTION AND BACKGROUND
2. The Municipal Demarcation Board (MDB) determines municipal boundaries in accordance with the Municipal Demarcation Act, 1998 (MDA) and other appropriate legislation enacted in terms of Chapter 7 of the Constitution.
3. The MDB had released Circular 1/2021, where it was indicated that the MDB will be opening the municipal boundary redeterminations process after the Local Government Elections in 2021.

**OPENING OF THE MUNICIPAL BOUNDARY REDETERMINATION PROCESS**

4. The MDB will be opening the municipal boundary redeterminations process from November 2021.

5. All stakeholders and members of the public who wish to submit proposals to determine or re-determine municipal boundaries may do so from beginning of November 2021 to 31 March 2022.

6. The MDB is already in possession of a few proposals received over the last few years until recently. In this regard, those who have already submitted are urged to indicate if their proposals are still valid for possible consideration by the MDB in their current form or if there are changes they should re-submit within the current timelines.

7. In case they don’t submit any new proposal or application the MDB will use the application within its custody.

8. All proposals submitted must be motivated in terms of section 24 and 25 of the (MDA) and section 2 of the Municipal Structures Act (MSA) for re-categorization of municipalities. Please find Annexure 1 attached, this need to be completed for your motivation.

9. The proposals must be emailed to registry@demarcation.org.za, or faxed to 012 3422480, or posted to Private Bag X123, Centurion, 0046 or hand delivered to Eco Origins Office Park, Block C1, 349 Witch-Hazel Avenue, Highveld, 0157. The proposals must be addressed for the attention of the Chairperson of the MDB.
10. The closing date for stakeholders and members of the public to submit proposals is 31st of March 2022. No proposals will be accepted after the closing date.

MUNICIPAL BOUNDARY REDETERMINATION PROCESS

11. The MDB opens a period for stakeholders and members of the public to submit proposals as indicated above.

12. Attached as Annexure 2, is the document outlining the municipal boundary re-determination process for ease of reference.

13. More information on the municipal boundary re-determination process and both Annexures A and B are available on the MDB website. For any further queries please contact the MDB at info@demarcation.org.za or Mr Fazel Hoosen at 012 342 2481.

Regards,

MR TM MANYONI
CHAIRPERSON: MUNICIPAL DEMARCATION BOARD
DATE: 20/01/2023

IMPORTANT INFORMATION
The Municipal Demarcation Board
Private Bag X123
Centurion
0046
South Africa
Telephone: +2712 342 2481
Fax: +2712342 2480

Website: www.demarcation.org.za
Follow us on: Facebook LinkedIn
ANNEXURE 1


**IMPORTANT**

1. This form should be completed when a request for the re-determination of a municipal boundary is submitted to the Municipal Demarcation Board (MDB).
2. Please read the framework and guidelines attached to this form before you complete the form.
3. The amount of information that needs to be provided to the MDB depends on the type of request. The types of requests are explained in the attached framework and guidelines.
4. Information and data to support the requests should be attached to the form before submitting it to the MDB.
5. The form, together with the supporting documents, should be submitted to the MDB by email to (registry@demarcation.org.za) or by fax (012-3422480).

1. SECTION A: YOUR DETAILS

**NAMES OF MUNICIPALITIES BEING AFFECTED BY YOUR REQUEST:**

<table>
<thead>
<tr>
<th>LOCAL MUNICIPALITY 1 – MUNICIPALITY NAME AND MDB CODE</th>
</tr>
</thead>
<tbody>
<tr>
<td>DISTRICT MUNICIPALITY 1 – MUNICIPALITY NAME AND MDB CODE</td>
</tr>
<tr>
<td>LOCAL MUNICIPALITY 2 – MUNICIPALITY NAME AND MDB CODE</td>
</tr>
<tr>
<td>DISTRICT MUNICIPALITY 2 – MUNICIPALITY NAME AND MDB CODE</td>
</tr>
<tr>
<td>LOCAL MUNICIPALITY 3 – MUNICIPALITY NAME AND MDB CODE</td>
</tr>
</tbody>
</table>
2. SECTION B: GENERAL

MDB REFERENCE (DEM) NUMBER (if available): DEM:..............................................

DESCRIPTION (Describe your request/proposal. Provide details of the areas that will be affected, including names of municipalities, villages, township, farms, wards (2021) etc, and, if possible, attach a map of the affected area. Example: Portion 1 of the Farm 396, in ward 1 of Emakhazeni LM must be excluded from Emakhazeni LM/Nkangala DM, and be included in Thaba Chweu LM/Ehlanzeni DM.).................................................................
MOTIVATION (Provide reasons for the proposed re-determination of the municipal boundaries):

ADVANTAGES AND DISADVANTAGES (Describe the advantages and disadvantages of the proposed reconfiguration):

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. SECTION C: IMPACT

Describe the impact of the proposal on ALL the municipalities that may be affected by the proposal with, amongst others, specific reference to the following key issues:

- Estimated impact on the budgets of the affected municipalities:

- Estimated impact on the equitable share of the affected municipalities:

- Estimated impact on the any grants that the affected municipalities receive from national and provincial governments:

- Estimated impact on the tax base of the affected municipalities:
- Estimated impact on the infrastructure of the affected municipalities:

- Estimated impact on the grading of the affected municipalities:

- Estimated impact on the number of councillors of the affected municipalities:

- Estimated impact on the administrations and human resources of the affected municipalities:

- Estimated impact on the transfer of assets and liabilities between the affected municipalities:

4. SECTION D: CONSULTATION

Have you consulted the following persons and institutions, and what are their views on your proposals:

<table>
<thead>
<tr>
<th>NAME</th>
<th>VIEWS/NAMES/CONTACT DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example:</td>
<td>Example:</td>
</tr>
<tr>
<td>MEC responsible for local government.</td>
<td>The MEC supports the proposal as it will ensure that the municipal boundary will be aligned to cadastral boundaries. The MEC written confirmation is attached under the heading “Section D: consultation”, and the MEC can be contacted in this regard.</td>
</tr>
<tr>
<td>The affected municipalities</td>
<td></td>
</tr>
<tr>
<td>MEC responsible for local government</td>
<td></td>
</tr>
<tr>
<td>SALGA</td>
<td></td>
</tr>
<tr>
<td>The affected communities/community organisations</td>
<td></td>
</tr>
</tbody>
</table>
5. SECTION E: DEMARCATION OBJECTIVES

Section 24 – The demarcation objectives represent your views on the outcome if your proposals were accepted by the MDB.

<table>
<thead>
<tr>
<th>24(a) (i)</th>
<th>How will the proposed redetermination assist in the provision of a democratic and accountable government for the local communities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>24(a) (ii)</td>
<td>How will the proposed redetermination improve the provision of services to the communities in an equitable and sustainable manner?</td>
</tr>
<tr>
<td>24(a) (iii)</td>
<td>How will the proposed redetermination promote social and economic development in the affected municipalities?</td>
</tr>
<tr>
<td>24(a) (iv)</td>
<td>How will the proposed redetermination promote a safe and healthy environment in the affected municipalities?</td>
</tr>
<tr>
<td>24(b)</td>
<td>How will the proposed redetermination enable effective local government in the affected municipalities?</td>
</tr>
</tbody>
</table>
Section 24 – The demarcation objectives represent your views on the outcome if your proposals were accepted by the MDB.

<table>
<thead>
<tr>
<th>24(c)</th>
<th>How will the proposed redetermination enable integrated development in the affected municipalities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>24(d)</td>
<td>Will the affected municipal areas have a tax base as inclusive as possible of users of municipal services in the affected municipalities?</td>
</tr>
</tbody>
</table>

6. SECTION F: FACTORS TO BE TAKEN INTO ACCOUNT

Section 25 of the Municipal Demarcation Act 1998 must be taken into consideration when a municipal boundary is determined or re-determined. Please complete the checklist and attach the relevant information and data to this form under the heading “Section E supporting documents”. In this section “affected area” means the area where the boundary change is proposed.

<table>
<thead>
<tr>
<th>25(a) Will the proposed redetermination maintain or improve the interdependence of people, communities and economies as indicated by:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data/Information required</strong></td>
</tr>
<tr>
<td>Demographic data</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
**Section 25** of the Municipal Demarcation Act 1998 must be taken into consideration when a municipal boundary is determined or re-determined. Please complete the checklist and attach the relevant information and data to this form under the heading “Section E supporting documents”. In this section “affected area” means the area where the boundary change is proposed.

**25(a) Will the proposed redetermination maintain or improve the interdependence of people, communities and economies as indicated by:**

<table>
<thead>
<tr>
<th>Patterns of human settlement</th>
<th>Number, names, and location of towns, suburbs &amp; villages in each of the affected municipalities, and in the affected area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Availability and location of housing projects and low cost housing in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>Distinguish between formal, informal, urban, rural, and township/suburb areas in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td>Migration</td>
<td>Residential distribution and patterns in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>Current settlement pattern (urban, rural, traditional etc.) in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>Rural housing strategy and approach for each of the affected municipalities, and for the affected area</td>
</tr>
<tr>
<td>Employment</td>
<td>Location of employment opportunities or nearest employment opportunities for residents in the affected area</td>
</tr>
<tr>
<td></td>
<td>No of people employed, and total employment income in all the affected municipalities, and the affected area</td>
</tr>
<tr>
<td></td>
<td>Number of people unemployment unemployed in each of the affected municipalities, and in the affected area;</td>
</tr>
<tr>
<td></td>
<td>Indicate main employment categories e.g. professionals, technicians, service industry etc. in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>No of people dependent on grants (grant dependency levels) in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td>Commuting and dominant transport movements</td>
<td>Dominant transport movements and passenger movements in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>Average time from place of residence to place of work for workers in the affected area</td>
</tr>
<tr>
<td></td>
<td>Availability of transport and commuter infrastructure in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td></td>
<td>Mode of transport and daily movement of people (radius) between places of residence and work in each of the affected municipalities, and in the affected area</td>
</tr>
</tbody>
</table>
Section 25 of the Municipal Demarcation Act 1998 must be taken into consideration when a municipal boundary is determined or re-determined. Please complete the checklist and attach the relevant information and data to this form under the heading “Section E supporting documents”. In this section “affected area” means the area where the boundary change is proposed.

25(a) Will the proposed redetermination maintain or improve the interdependence of people, communities and economies as indicated by:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>Transport development plans in place in each of the affected municipalities, and in the affected area</td>
</tr>
<tr>
<td>Spending</td>
<td>Spending patterns of consumers and location in each of the affected municipalities, and in the affected area (areas where people live and where spending occurs)</td>
</tr>
<tr>
<td></td>
<td>Main towns in each of the affected municipalities within which main economic activities occur (names of towns and radius of economic activity)</td>
</tr>
<tr>
<td></td>
<td>Types of goods and services (clothing, furniture, food stores etc.,) available in towns closest to the affected area</td>
</tr>
<tr>
<td>Amenities, recreational facilities and infrastructure</td>
<td>Names, location and number of schools in the affected municipalities, and distance from the affected area</td>
</tr>
<tr>
<td></td>
<td>Names, location and number of clinics and health facilities in the affected municipalities, and distance from the affected area</td>
</tr>
<tr>
<td></td>
<td>Names and location of other facilities such as courts, police stations and prisons in the affected municipalities, and distance from the affected area</td>
</tr>
<tr>
<td></td>
<td>Road infrastructure available in the affected municipalities, and in the affected area (description - gravel, tarred, secondary, main and national roads etc.)</td>
</tr>
<tr>
<td></td>
<td>Functional road linkages between affected area and surrounding areas</td>
</tr>
<tr>
<td></td>
<td>Electricity, housing, water and sanitation infrastructure available in the affected municipalities, and in the affected area, and backlogs (%)</td>
</tr>
<tr>
<td></td>
<td>Types of amenities and recreational facilities available in the affected municipalities, and distance from the affected area</td>
</tr>
<tr>
<td>Commercial and industrial linkages</td>
<td>Names and locations of commercial and industrial nodes and areas in the affected municipalities, and distance from affected area</td>
</tr>
<tr>
<td></td>
<td>Describe the extent to which the affected municipalities, are dependent on other municipal areas for goods or services</td>
</tr>
</tbody>
</table>

25(b) Will the proposed redetermination satisfy the need for cohesive, integrated and unfragmented areas?
<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compactness and integration of areas</td>
<td>Names of villages, suburbs and/or towns, with which the affected area will be integrated socially and economically</td>
<td>Yes</td>
</tr>
</tbody>
</table>

### 25(c) Indicate the financial viability and administrative capacity of the municipality to perform municipal functions effectively and efficiently

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment of revenue base and expenditure, Liquidity, financial management capacity, and audit findings</td>
<td>Total operating and capital budget and expenditure of each of the affected municipalities, and the capital and operating budget per capita over the past 3 years</td>
<td>Yes</td>
</tr>
</tbody>
</table>

- Own income (rates and service charges) as percentage of total income, for each of the affected municipalities,
- Debt servicing costs in each of the affected municipalities,
- Liquidity ratio, current assets to current liability in each of the affected municipalities,
- Outstanding debtors/ collection rate and cash flow of each of the affected municipalities,
- How will the viability and creditworthiness of the affected municipalities be influenced by the proposed boundary change,
- Explain to what extent the grants and subsidies of the affected municipalities will change as a result of the proposed boundary change,
- Explain the financial management capacity of the affected municipalities, and give details of any negative audit reports and findings over the past 3 years,
- Provide the current tariff structure for municipal services in each of the affected municipalities.
### 25(c) Indicate the financial viability and administrative capacity of the municipality to perform municipal functions effectively and efficiently

<table>
<thead>
<tr>
<th>Administrative capacity</th>
<th>Payment levels of municipal rates and service charges in the affected municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>What credit control measures, asset registers and insurance policies are in place in the affected municipalities</td>
</tr>
<tr>
<td>Number of staff, and staff per capita in each of the affected municipalities</td>
<td></td>
</tr>
<tr>
<td>Number of councillors in each of the affected municipalities</td>
<td></td>
</tr>
<tr>
<td>Provide the organisational structure (organogram) of each of the affected municipalities, show how the organogram is aligned to the performance of local government functions provided for in Schedule 4B and 5B of the Constitution.</td>
<td></td>
</tr>
<tr>
<td>Percentage of vacant and filled positions and specify posts filled by registered professionals, engineers, town planners etc. in each of the affected municipalities</td>
<td></td>
</tr>
<tr>
<td>Provide details of the levels of remuneration in each of the affected municipalities</td>
<td></td>
</tr>
<tr>
<td>How many wards are there in each of the affected municipalities, and in which wards are ward committees operational</td>
<td></td>
</tr>
</tbody>
</table>

#### IT capacity

| What information technology systems and data and information management systems are in place in each of the affected municipalities |

### 25(d) Indicate how financial and administrative resources will be shared and redistributed?

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharing and distribution of financial resources</td>
<td>What financial and administrative resources are shared by the affected municipalities</td>
<td>Yes available</td>
</tr>
<tr>
<td></td>
<td>How will financial and administrative resources, and general efficiency and effectiveness, in each of the</td>
<td>✓</td>
</tr>
</tbody>
</table>
affected municipalities be optimised by the proposed boundary change

How will the proposed boundary change address inequalities and backlogs in services in the different municipalities

<table>
<thead>
<tr>
<th>25(e) What will the effect of the proposed redetermination have on provincial and other municipal boundaries?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data/Information required</td>
</tr>
</tbody>
</table>
| Provincial, District and municipal boundaries, including wards and voting district boundaries | Describe the impact of the proposed boundary change on:  
- Provincial boundaries  
- The boundaries of the affected municipalities;  
- Ward boundaries  
- Voting district boundaries  
- Boundaries of enumerator area  
(Please attach a map and description if possible) |

<table>
<thead>
<tr>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes available (give evidence)</td>
</tr>
<tr>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>25(f) What will the effect of the proposed redetermination have on the areas of traditional rural communities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data/Information required</td>
</tr>
</tbody>
</table>
| Traditional boundaries | Names and location of existing traditional authority areas in each of the affected municipalities (updated list of recognised traditional communities)  
Proclamation reference in respect of each traditional area, and a full legal description of each boundary  
Indicate which TA's will be affected by the proposed boundary change |

<table>
<thead>
<tr>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes available (give evidence)</td>
</tr>
<tr>
<td>✓</td>
</tr>
</tbody>
</table>
25(f) What will the effect of the proposed redetermination have on the areas of traditional rural communities?

25(g) Will functional boundaries be affected by the proposed redetermination? If yes, give names/description/maps of functional boundary (e.g., Magisterial, Police, Education, Health, Transport etc.,)

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing and functional boundaries (magisterial, police, health, education etc.)</td>
<td>Indicate existing and proposed functional boundaries in the affected municipalities (If possible provide a map showing the different functional boundaries)</td>
<td>✗</td>
</tr>
<tr>
<td></td>
<td>Describe how the proposed boundary change will affect the different functional boundaries in each of the affected municipalities.</td>
<td>✗</td>
</tr>
<tr>
<td></td>
<td>Provide the name of the magisterial office, police station, clinic, hospital, schools etc. that will service the residents in the affected area.</td>
<td>✗</td>
</tr>
</tbody>
</table>

25(h) What will be the impact of the proposed boundary change on the existing and expected land use, social, economic and transport planning?

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land use, social, economic and transport planning</td>
<td>Describe the current and future land use in the affected municipalities, and in the affected area</td>
<td>✗</td>
</tr>
<tr>
<td></td>
<td>Describe how, social, economic and transport planning will be enhanced in the affected municipalities, if the proposed boundary change is accepted</td>
<td>✗</td>
</tr>
<tr>
<td></td>
<td>Describe the quality of roads in the affected municipalities, and in the affected area</td>
<td>✗</td>
</tr>
<tr>
<td></td>
<td>What amendments are envisaged in spatial development plans and the integrated development plans of the</td>
<td>✗</td>
</tr>
</tbody>
</table>
### 25(f) What will the effect of the proposed redetermination have on the areas of traditional rural communities?

affected municipalities, to deal with the needs in the affected area

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes available (give evidence)</td>
</tr>
</tbody>
</table>

### 25(i) How will the proposed boundary determination promote the co-ordination of the national, provincial and local programmes and services?

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordination of municipal provincial and national programmes</td>
<td>Indicate if the boundary change will impact on national, provincial and local government programmes. Describe what adjustments will be required, and what are the financial, infrastructure, and human resource implications.</td>
<td>Yes available (give evidence)</td>
</tr>
<tr>
<td></td>
<td>Indicate the impact of the proposed boundary change on local economic development programmes and strategies in the affected municipalities</td>
<td></td>
</tr>
</tbody>
</table>

### 25(j) Indicate which topographical, environmental and physical characteristics of the area have been taken into consideration?

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topographical, environmental and physical characteristics of an area (Mountains, nature areas, rivers, valleys, ridges etc.)</td>
<td>Indicate existing barriers to movement of people in the affected area, and how they will be overcome by the proposed boundary change (If possible, provide a map showing significant, topographic, environmental, conservation and protected areas, and physical characteristics of the affected area)</td>
<td>Yes available (give evidence)</td>
</tr>
</tbody>
</table>

### 25(k) Describe the administrative consequences of the demarcation on the Municipality's:

(i) Creditworthiness
(ii) Existing Municipalities, their Council members and staff
<table>
<thead>
<tr>
<th>25(f) What will the effect of the proposed redetermination have on the areas of traditional rural communities?</th>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes available (give evidence)</td>
<td>No Not available</td>
<td>✓</td>
<td>×</td>
</tr>
</tbody>
</table>

**Municipal creditworthiness**
Describe how the viability and creditworthiness of the affected municipalities will be improved by the proposed boundary change.

**Council members and staff of existing municipalities**
Describe the impact of the proposed boundary change on the members of the municipal councils, and on the staff of the affected municipalities e.g. will it be necessary to transfer staff from one municipality to another, and if so, what are the consequences in terms of labour legislation and the capacity of the municipalities.

<table>
<thead>
<tr>
<th>25(l) Will the proposed redetermination contribute to the rationalisation of Municipalities and to achieve the objectives of efficient, effective and sustainable service delivery, financial viability and macro-economic stability?</th>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes available (give evidence)</td>
<td>No Not available</td>
<td>✓</td>
<td>×</td>
</tr>
</tbody>
</table>

**Rationalisation of municipalities**
Describe how the proposed boundary change will assist in rationalising municipalities with a view to improve service delivery, and the effectiveness and efficiency of the affected municipalities.
# SECTION G: CAPACITY IN TERMS OF FINANCIAL AND HUMAN RESOURCES AND INFRASTRUCTURE

Section 85 of the Local Government: Municipal Structures Act, 1998, requires that when the boundaries of a municipality are re-determined, the capacity of that municipality to perform its functions, must be assessed. Capacity information and data are also required under other sections of this form, and the questions in this section are thus limited as far as possible.

1. List the functions being performed by each of the affected municipalities (see Schedule 4B and 5B to the Constitution), and indicate the number of staff, budget, and infrastructure available for each function:

<table>
<thead>
<tr>
<th>Function</th>
<th>Staff</th>
<th>Budget</th>
<th>Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. List the functions that affected district municipalities perform on behalf of affected local municipalities in terms of a section 85 ministerial authorisation, and attach a copy of the relevant notice published by the Minister:

<table>
<thead>
<tr>
<th>Function</th>
<th>Authorisation</th>
<th>Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. List the functions being performed by each affected local municipality on behalf of the district municipality in terms of a section 85 adjustment by the MEC responsible for local government and attach a copy of the relevant notice published by the MEC:

<table>
<thead>
<tr>
<th>Function</th>
<th>MEC Adjustment</th>
<th>Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. List the functions being performed by each affected district municipality on behalf of each of the affected local municipalities in terms of a section 85 adjustment by the MEC responsible for local government, and attach a copy of the relevant notice published by the MEC:

<table>
<thead>
<tr>
<th>Function</th>
<th>MEC Adjustment</th>
<th>Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. List the functions being performed by external service providers in terms of service agreements, for each of the affected municipalities, and provide reasons as to why the function is outsourced……………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………

6. Provide a brief overview as how the proposed boundary re-determination will impact on the financial and human resource capacity, and infrastructure of each of the affected municipalities:……………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………

7. SECTION H: ADDITIONAL INFORMATION REQUIRED FOR THE DEMARCATION AND CATEGORISATION OF METROPOLITAN AREAS

When the Board determines the boundary of a Category A (metropolitan) municipality it must take into account the criteria provided for in section 2 of the Municipal Structures Act, 1998.

Please complete the checklist and attach the relevant information and data to this form under the heading “Section H – additional information for metros”.

2(a) An area must have a single category A municipality if that area can reasonably be regarded as- a conurbation featuring:

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conurbation</td>
<td>Total population in the proposed metropolitan core and fringe areas,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Population density in the proposed metropolitan area (persons per square km)</td>
<td>Yes available (give evidence)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Projected annual population growth rate and annual % change in population</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Names of peri-urban and rural areas which have strong social and economic linkages with cities and towns in the proposed metropolitan area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide the names of informal settlements with linkages to core cities and towns in the proposed metropolitan area, and the estimated population in each settlement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe the settlement and density patterns in the proposed metropolitan area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe the pockets of rural areas in the proposed metropolitan area</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(i) **an intense movement of people, goods, and services**

| Describe commuting patterns between places of residence and work |
| Describe the modes of transport and dominant passenger movements in the proposed metropolitan area |
| Provide details of available transport and commuter infrastructure in the proposed metropolitan area |
| Provide estimates of average time from place of residence to place of work in the proposed metropolitan area |
| Provide details of public transport systems that will be available in the proposed metropolitan area |
| Explain how land use will be integrated in the proposed metropolitan area |

(ii) **extensive development**

| Compare the proposed metropolitan area with existing metropolitan areas and other major category B municipalities that may qualify for categorisation as a category A municipality, in respect of the following: |
| income from property rates and service charges; |
| equitable share and income from grants and subsidies |
| operating expenditure |
| capital expenditure |
| population |
| annual population growth |
| staff to population ratio |
| growth rate of GGP per person employed |
| gross valued added (GVA) |
| Human development index |
| Deprivation index |
| job creation through EPWP |
| median income per capita |
| Value of Commercial building plans passed |

(iii) **multiple business districts and industrial areas**

| Provide the names and location of business districts, and commercial and industrial areas in the proposed metropolitan area. |
| Describe significant commercial and industrial linkages between municipalities in the proposed metropolitan area e.g. raw production in relation to manufacture or processing in relation to sales |
### 2(b) a centre of economic activity with a complex and diverse economy

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes available (give evidence)</td>
</tr>
</tbody>
</table>

#### Economic activities, and diversity

Compare the proposed metropolitan area with existing metropolitan areas and other major category B municipalities that may qualify for categorisation as a category A municipality, in respect of the following:
- economic activities
- diversity of the economy
- Tress index (level of concentration and diversification in the economy)
- Main employment categories

<table>
<thead>
<tr>
<th>Economic activities, and diversity</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes available (give evidence)</td>
</tr>
</tbody>
</table>

### 2(c) a single area for which integrated development planning is desirable

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes available (give evidence)</td>
</tr>
</tbody>
</table>

Describe the process that will be followed, and the amendments that will be effected to integrate the current IDPs in the proposed metropolitan area, to ensure a sound transition into a single metropolitan area.

### 2(d) having strong interdependent social and economic linkages between its constituent Units

<table>
<thead>
<tr>
<th>Data/Information required</th>
<th>Data/Information details</th>
<th>Data/Information availability Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes available (give evidence)</td>
</tr>
<tr>
<td>Interdependence of social and economic linkages.</td>
<td>Provide the names of the constituent units in the proposed metropolitan area, and describe why the social and economic linkages between them should be regarded and strong and interdependent.</td>
<td></td>
</tr>
</tbody>
</table>

Note: Please remember to attach the relevant documents.
ANNEXURE 2
THE MUNICIPAL BOUNDARY REDETERMINATION PROCESS

1. The Municipal Demarcation Act, 1998 (MDA) provides, for the MDB as an independent authority as envisaged in section 155 of the Constitution, and also for the criteria and procedures for the determination and re-determination of the municipal boundaries.

2. The MDB determines municipal boundaries in accordance with the MDA and other appropriate legislation enacted in terms of Chapter 7 of the Constitution.

3. The diagram below highlights the broad municipal boundary redetermination process
4. The relevant sections of the Act (MDA) that are applicable during this phase are the following:

<table>
<thead>
<tr>
<th>SECTION</th>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECTION 22</td>
<td>A request is submitted to the MDB (or the MDB takes its own initiative)</td>
<td>Minister, MEC, MDB, Municipalities, Members of the Public and institutions</td>
</tr>
<tr>
<td>SECTION 22</td>
<td>The MDB may also require the person or municipality which submitted the request to furnish the Board with information as may be required.</td>
<td>Members of the Public and Stakeholders</td>
</tr>
<tr>
<td>SECTION 26</td>
<td>A notice is published in the newspaper to inform the public that it is the intention of the MDB to consider the matter. The notice is also sent to core stakeholders to make inputs on the request.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 26</td>
<td>The public is invited to submit their views and representations on the matter / request.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 26</td>
<td>The public submits views and make representations.</td>
<td>Members of the Public and Stakeholders</td>
</tr>
<tr>
<td>SECTION 27</td>
<td>The Board considers public views and representations.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 27</td>
<td>The Board may also hold a public meeting, and / or conduct a formal investigation, to further investigate support for the request.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 28</td>
<td>At a public meeting a representative of the Board must explain the issue the Board has to consider, and allow members of the public attending the meeting to air their views.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 29</td>
<td>Formal investigations</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 30</td>
<td>Powers of investigating committees</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 24 &amp; 25</td>
<td>The MDB takes into account the criteria (See attached Annexure 1).</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 21</td>
<td>The Board determines or re-determines the municipal boundary.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 21</td>
<td>The MDB publishes its determination or redetermination of a municipal boundary in the relevant Provincial Gazette.</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 21</td>
<td>Any person aggrieved by a determination of a municipal boundary may within 30 days of publication of that determination submit objections in writing to the</td>
<td>MDB</td>
</tr>
<tr>
<td>SECTION 21</td>
<td>MDB. (Such objections should ideally be based on the criteria set out in sections 24 and 25 so as to empower the MDB to determine the validity of the objections)</td>
<td></td>
</tr>
<tr>
<td>SECTION 21</td>
<td>The MDB must then consider any objections; and either confirms, varies or withdraws its determination; and publish its decision in the relevant Provincial Gazette.</td>
<td></td>
</tr>
</tbody>
</table>

| SECTION 21 | If so requested, the MDB must provide reasons to any person for its decision to confirm, vary or withdraw its determination. |

| SECTION 23 | The MDB sends particulars of its determination to the Electoral Commission. |

| SECTION 23 | The Commission expresses its view about the representation of voters in the council of any of the municipalities affected by the boundary determination. |

| SECTION 23 | The MDB informs the Minister of Finance of the determination. |

| SECTION 23 | The relevant MEC publishes his/her section 23 notice. |

| SECTION 23 | The determination takes effect — either on the date of the next local elections, or on the commencement date of the municipal financial year following the date of publication of the notice effecting such determination (1st of July). |

| SECTION 31 | The legal, practical and other consequences resulting from the area of a municipality being wholly or partially incorporated in or combined with the area of another municipality, are dealt with in terms of the Local Government: Municipal Structures Act, 1998. |