

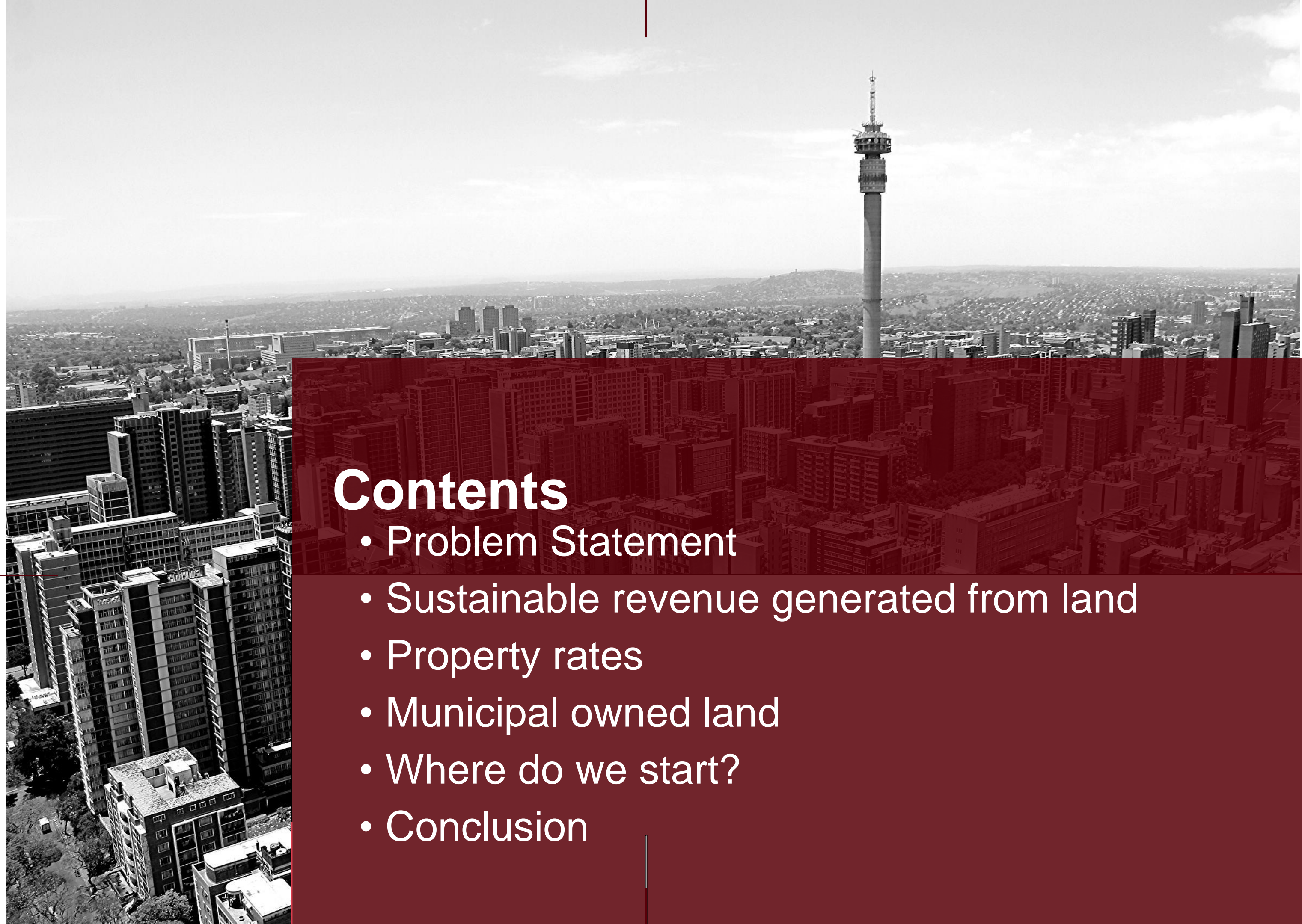


A COMPANY OF THE MANTO GROUP

# Land based revenue improvement

BY MANTO MANAGEMENT





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- Municipal owned land
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# Problem Statement





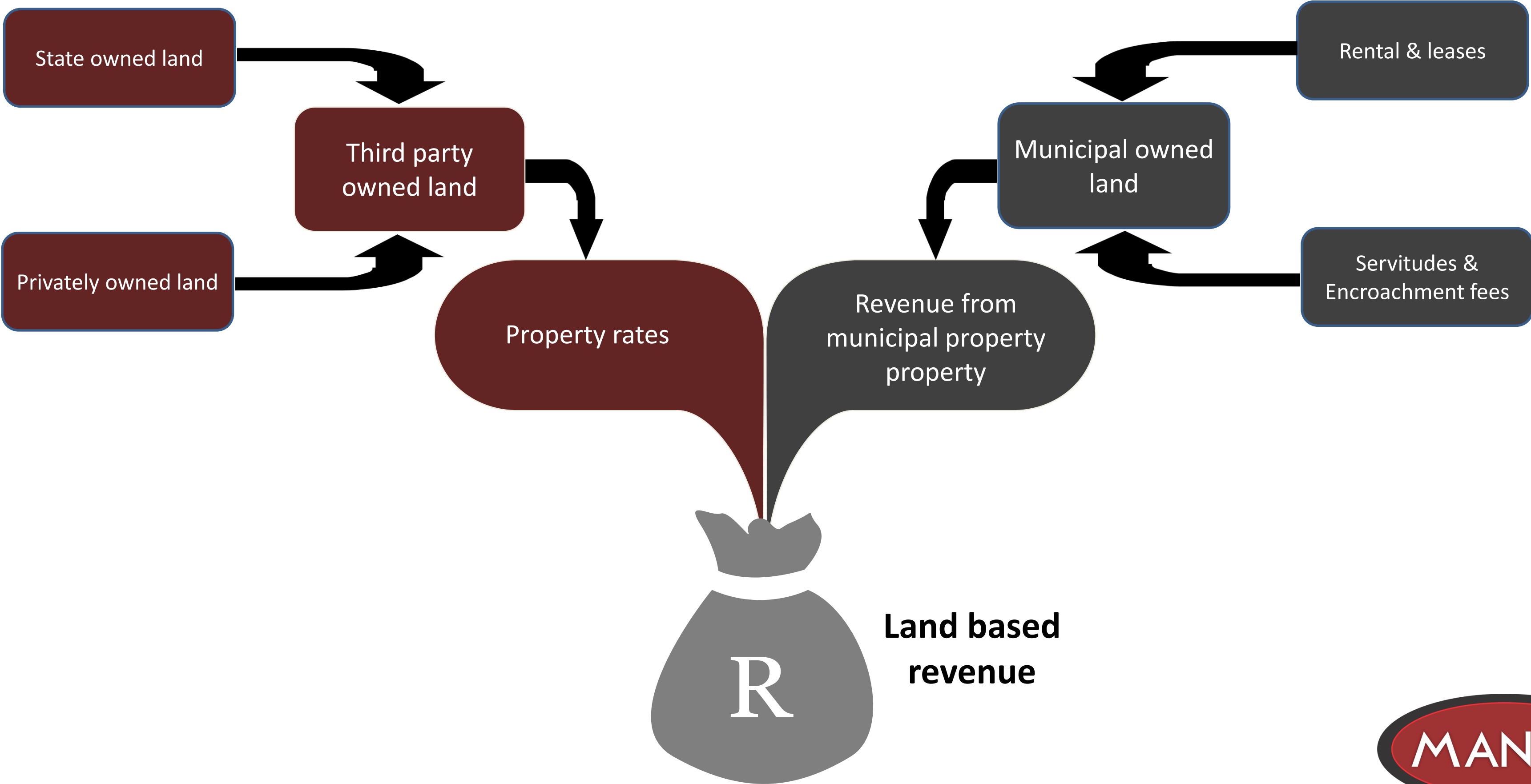


Misalignment between town planning processes (usage and zoning) and property valuation processes and a lack of integration between the valuation roll data and billing data results in a loss of revenue to the municipality

Sustainable revenue  
generated from land



# Sources of land based revenue





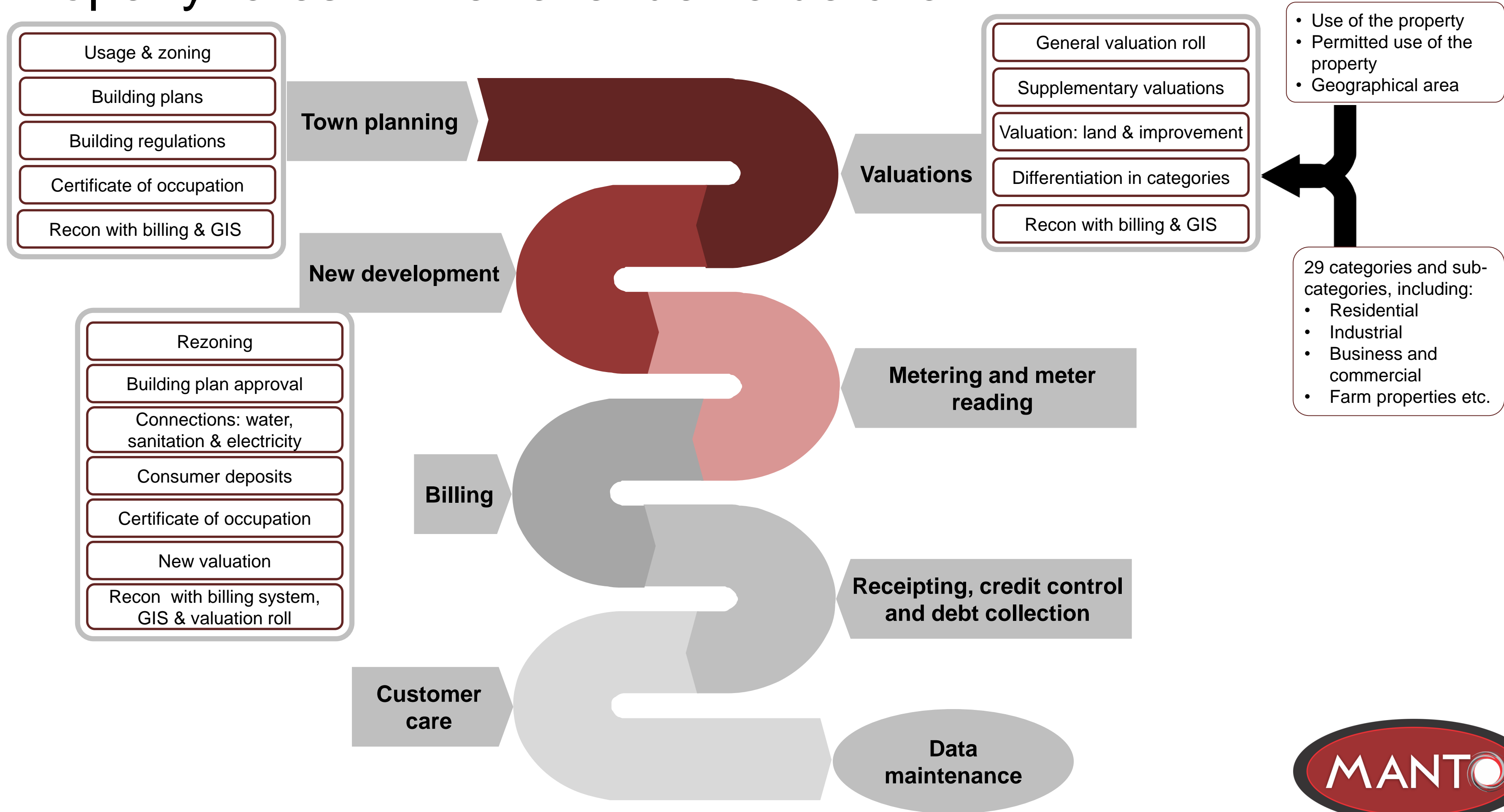


# Property rates





# Property rates in the revenue value chain





# Valuation roll – Procedure

No.	Procedure	Department
1	Perform - General valuation every 4 years (extended by 1 year).	Planning
2	Appoint a registered valuer - responsible and accountable to prepare a completed valuation roll for the municipal area	Finance - SCM Planning - ToR
3	Appoint an Appeal Board	Planning
4	Maintain listing of all properties on the financial system	Finance
5	Obtain a list of: <ul style="list-style-type: none"> <li>"monthly final inspections" and "Occupation Certificates" to confirm that a building was erected</li> <li>Obtain the approved list of revised zonings</li> <li>properties consolidated and/or sub-divided</li> </ul>	Planning
6	Update the property records with the above information with information from the Deeds Office for properties transferred, consolidated and/or sub-divided	Planning
7	Submit updated property records to the appointed Valuer (Information on property record: size of plot, town planning zoning of plot, name of owner and deed registration date)	Planning
8	Receive the draft Valuation Roll from Valuer and review for completeness	Planning
9	Report any deviations on the draft Valuation Roll to Valuer for correction.	Planning
10	Receive the updated draft Valuation Roll from Valuer.	Planning

No.	Procedure	Department
11	Capture the draft Valuation Roll on the financial system.	Finance
12	Reconcile the Valuation Roll on the financial system with draft Valuation Roll	Finance
13	Prepare a public notice of valuation and place on the municipality's website	Planning
14	Distribute the notice of valuation to all rate payers by registered post	Planning
15	Receive enquiries and objections on prescribed forms, from rate payers	Planning
16	Prepare a list of all objections by rate payers	Planning
17	Send list of all objections, with copies of actual objections, to Valuer	Planning
18	Receive the updated Valuation Roll, with adjustments, from Valuer	Planning
19	Submit the report for all adjustments more than 10% to the Appeal Board for confirmation, amendments or revocation	Planning
20	Send the notices of reviewed valuations to applicable rate payers	Planning
21	Perform the appeal process	Planning
22	Receive the updated Valuation Roll from Valuer	Planning
23	Update the Valuation Roll on financial system	Finance
24	Reconcile the Valuation Roll on the financial system with the Valuation Roll received from the Valuer	Finance
25	Maintain a Municipal Register of Properties	Planning





# Land value capture concept

- Land value capture mechanisms can be a major source of revenue for local government
- Starts with the betterment of land:
  1. infrastructure improvements, e.g. roads, schools, municipal services and other public facilities
  2. rezoning that changes land to a higher usage value, e.g. residential development vs agriculture
  3. improvements in the local economy that make an area more sought after, supply and demand plus consumer behavior
- Funded through grant funding, private investment, development contribution mechanisms or PPP
- The successful implementation of any LVC mechanism largely depends on:
  1. its design
  2. a clear legal and policy framework
  3. effective land use management systems
  4. well trained and capacitated people implementing it
  5. an efficient, accurate and timely land valuation process that accurately identifies changes in land values••

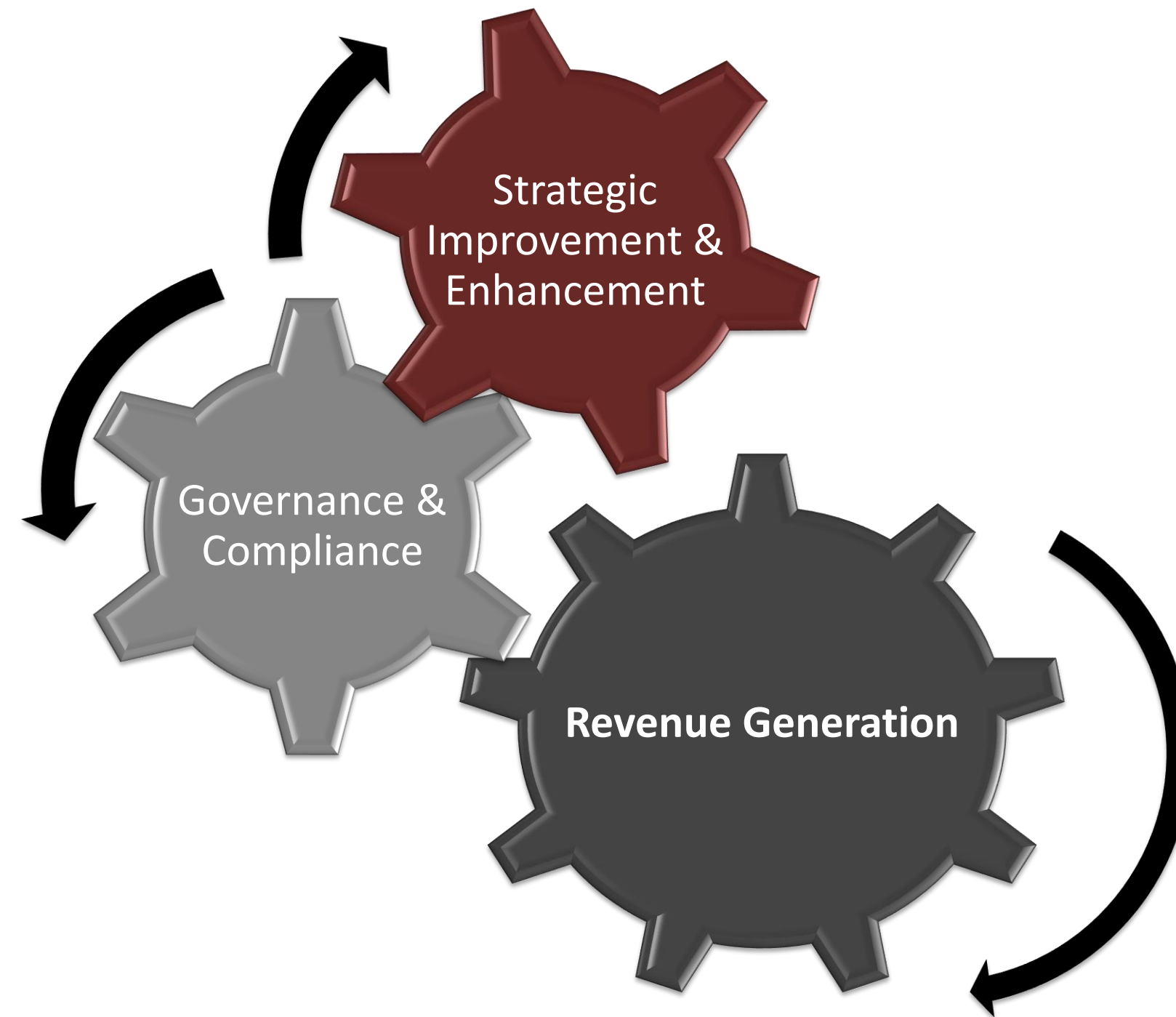


**Municipal  
owned land**



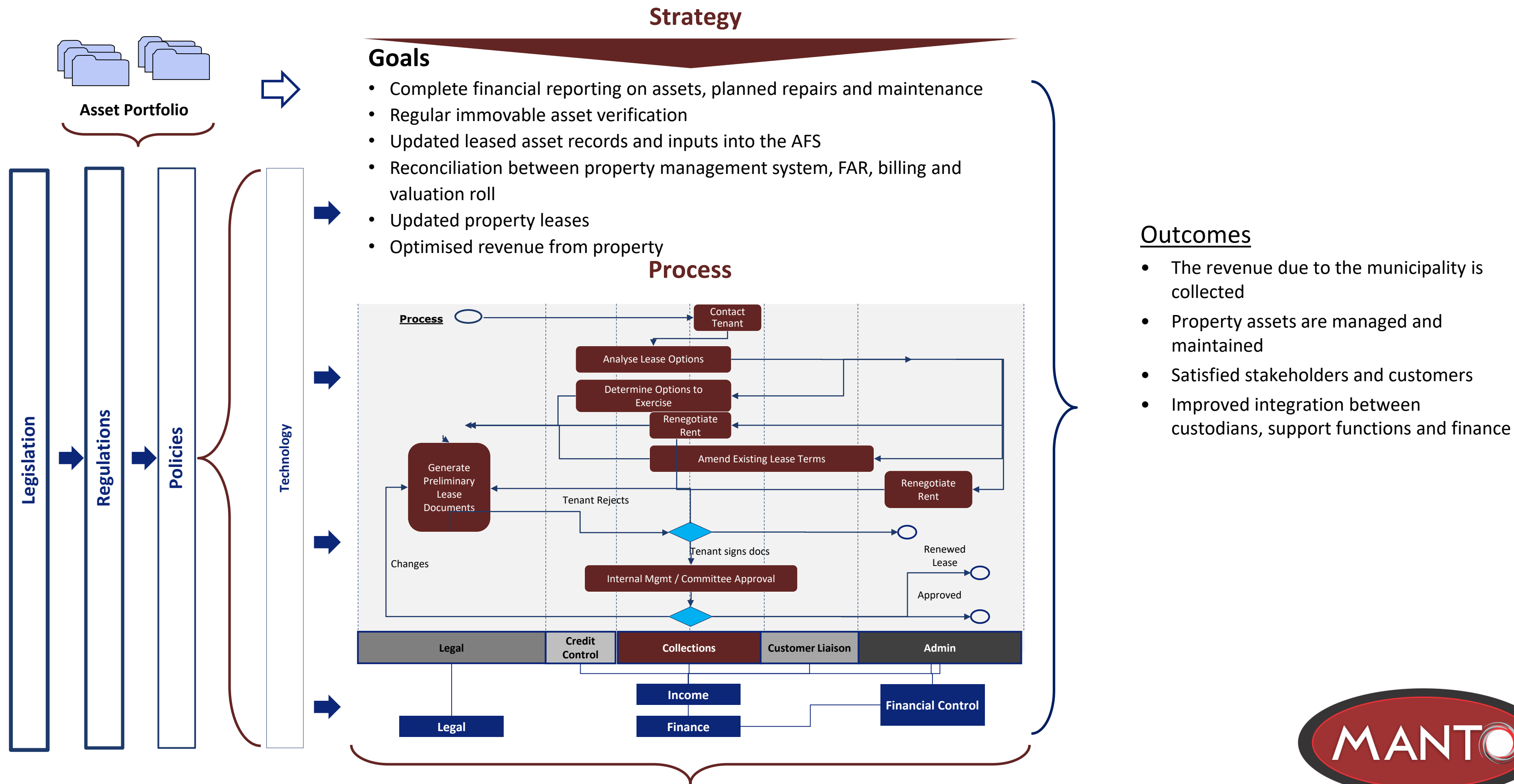


# Purpose of municipal property management



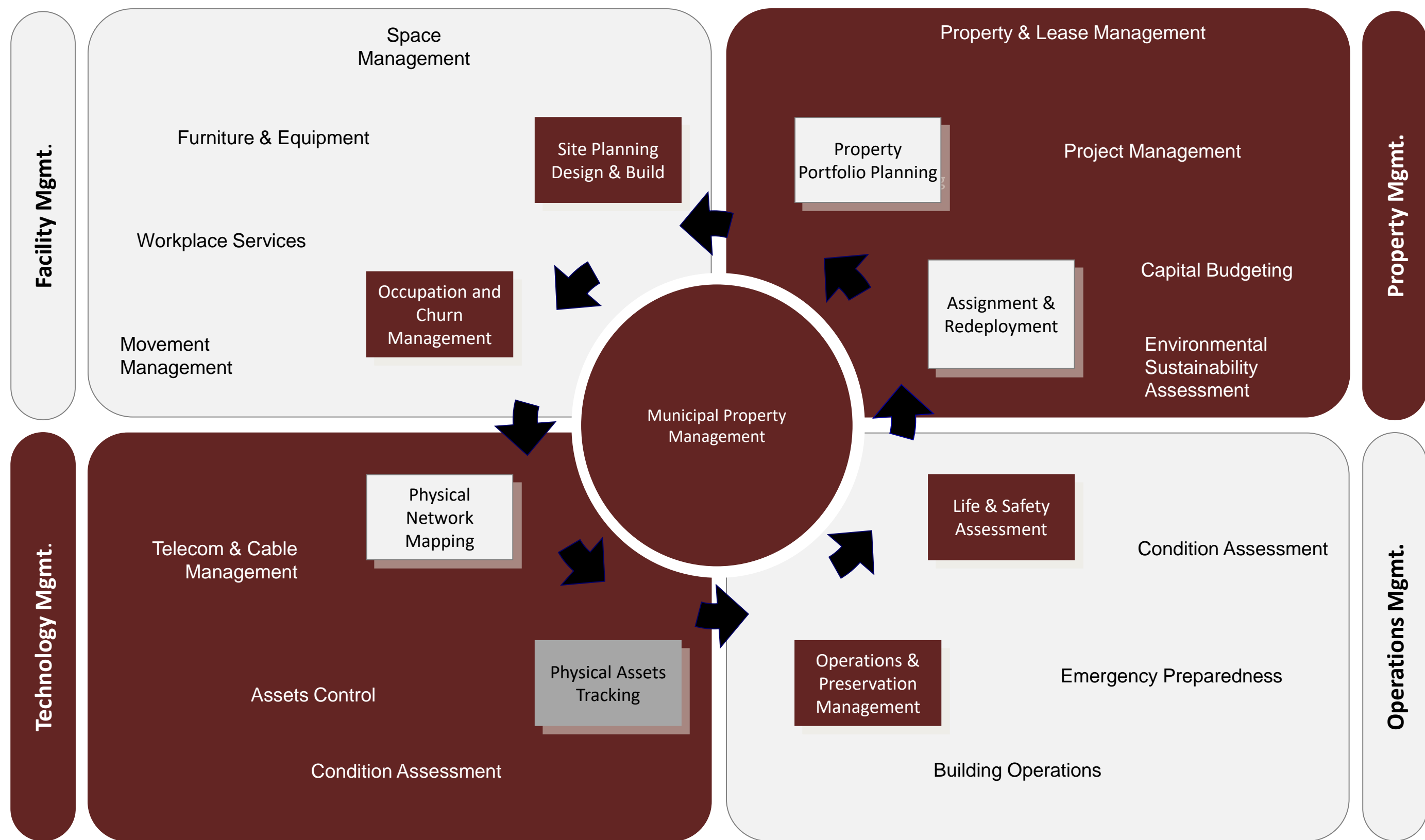
# Sustainable municipal property management model

Illustrative model of a strategy process





# Capabilities of a municipal property management unit

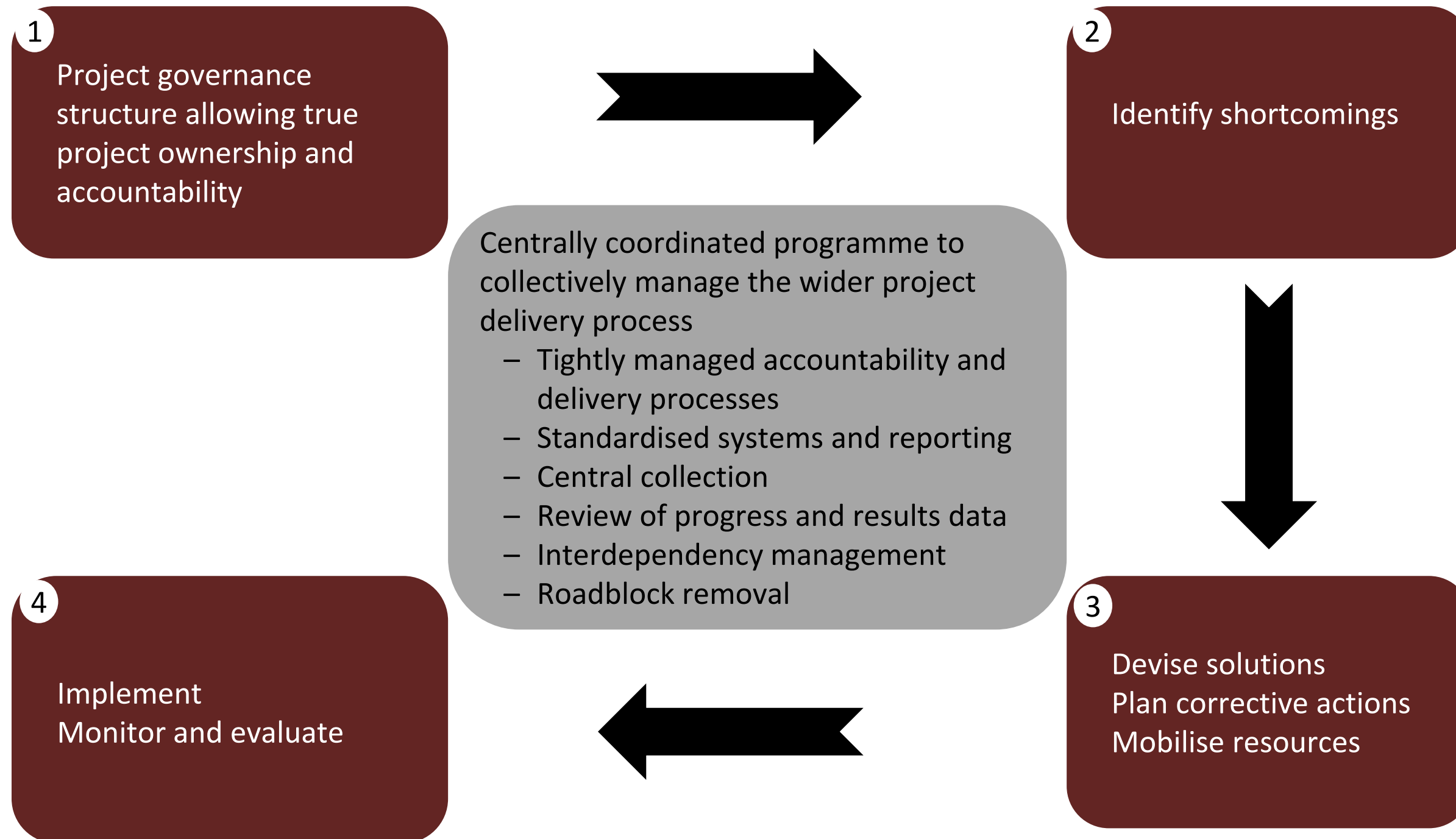


Where do we start?

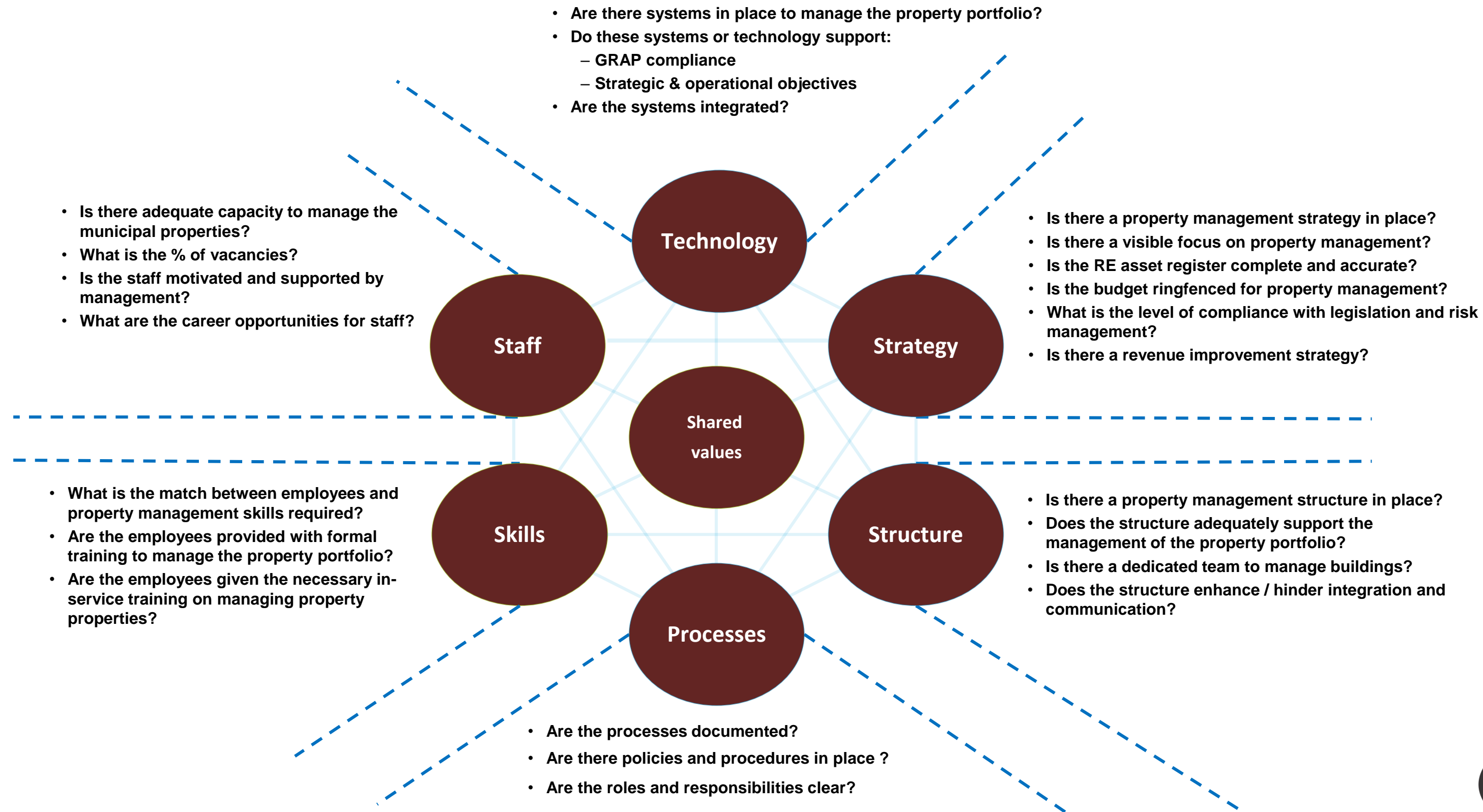




# Establish a revenue improvement project for land based revenue

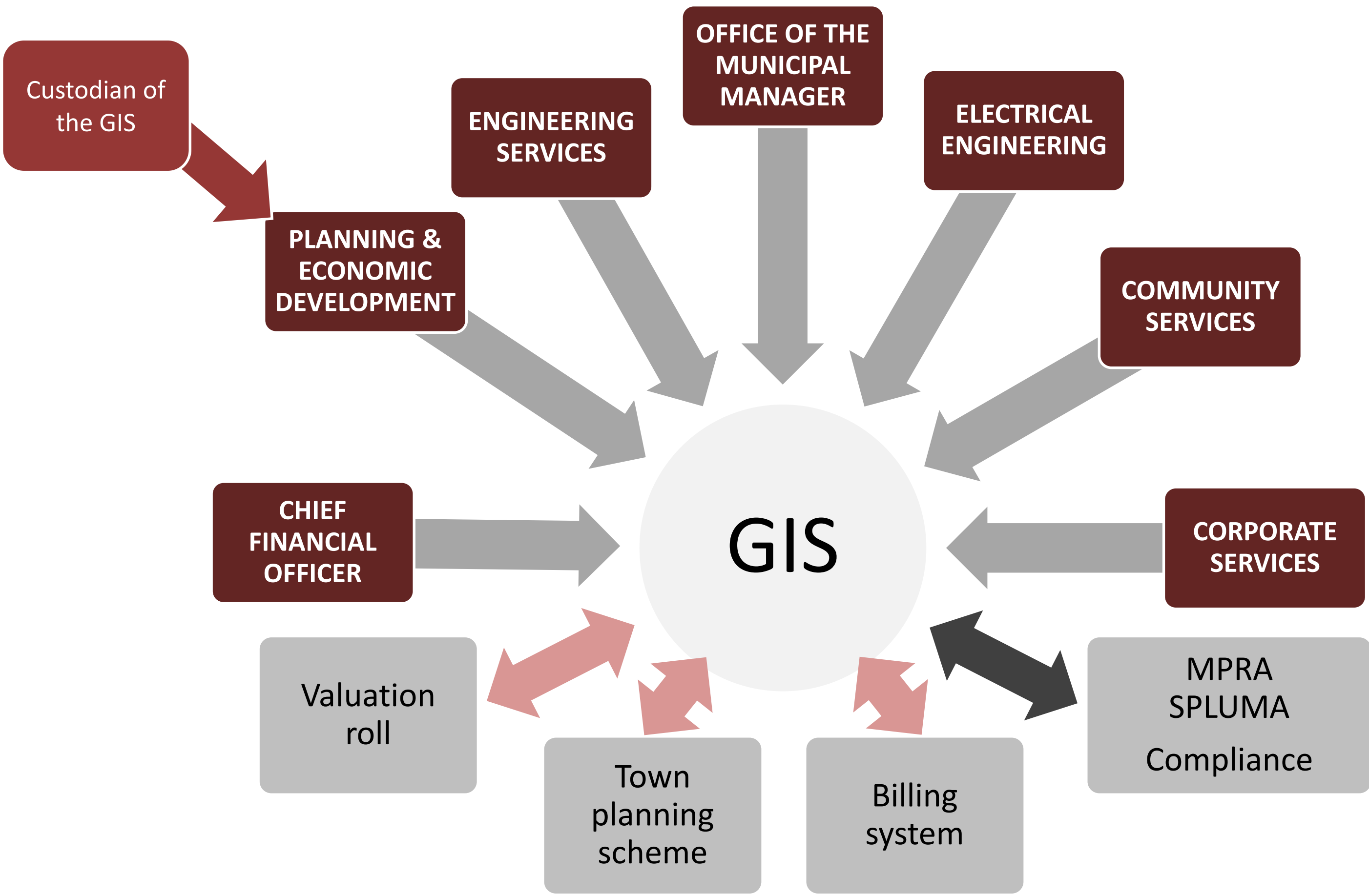


# Conduct an assessment of the capability and capacity for property management...launch initiatives to resolve gaps





# Possible solution - GIS

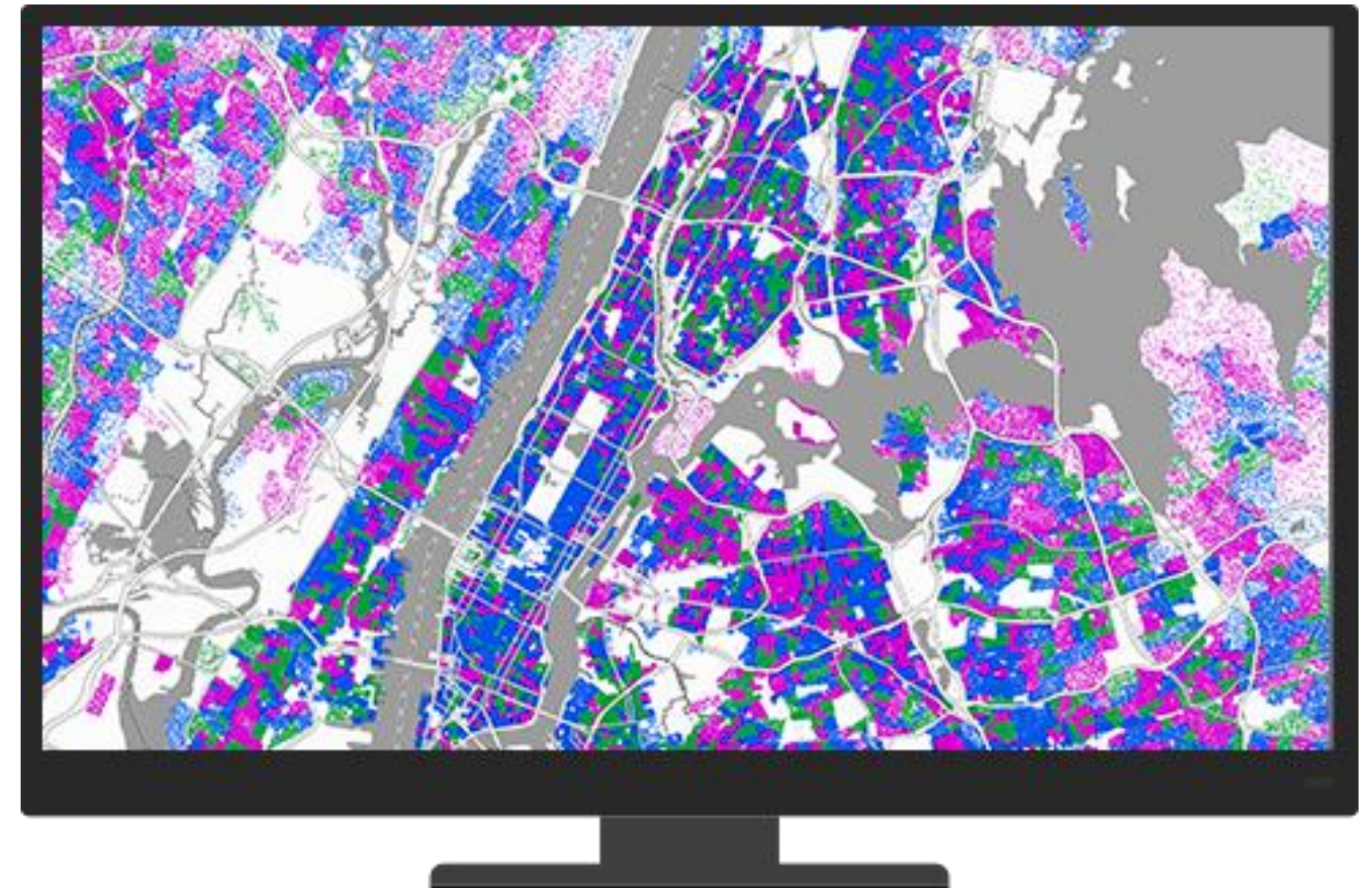


# GIS

A geographic information system (GIS) is a tool for:

- Gathering data
- Managing data
- Analysing data

It analyses spatial location and organizes layers of information into visualizations - helping users make smarter decisions





# GIS





# GIS

Public View

Feature Information | T068604238

T068604240

T068604226

Services Information

Meter Photos

General Facility Information

Other Information

Property Data

Services Data

Consumer Data

Metadata

Service Type

Meter Type

Meter Make

Meter Size

Meter Number

Meter Readable

Meter Reading

Latitude ( dd.mm.ss )

Longitude ( dd.mm.ss )

Visible Leaks Present

Where is the leak

Electricity Present

Electricity Supplier

Electricity Meter Number

Water

Above Ground Box

Other

15mm

GKW0978

Yes

2404

unknown

unknown

Yes

On Ground

Yes

ESKOM

0000

Public View Search

Project

Region

Scheme

Facility Name

Please Select

Please Select

Please Select

604

Image View

Feature Name

T068604223	T068604223
T068604225	T068604225
T068604226	T068604226
T068604227	T068604227
T068604228	T068604228
T068604229	T068604229
T068604230	T068604230
T068604231	T068604231
T068604232	T068604232
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Remove

Rename

Component View

Links

Cost Recalc

Child Attributes R

Map Information

Active Layer Items

Completed Sections

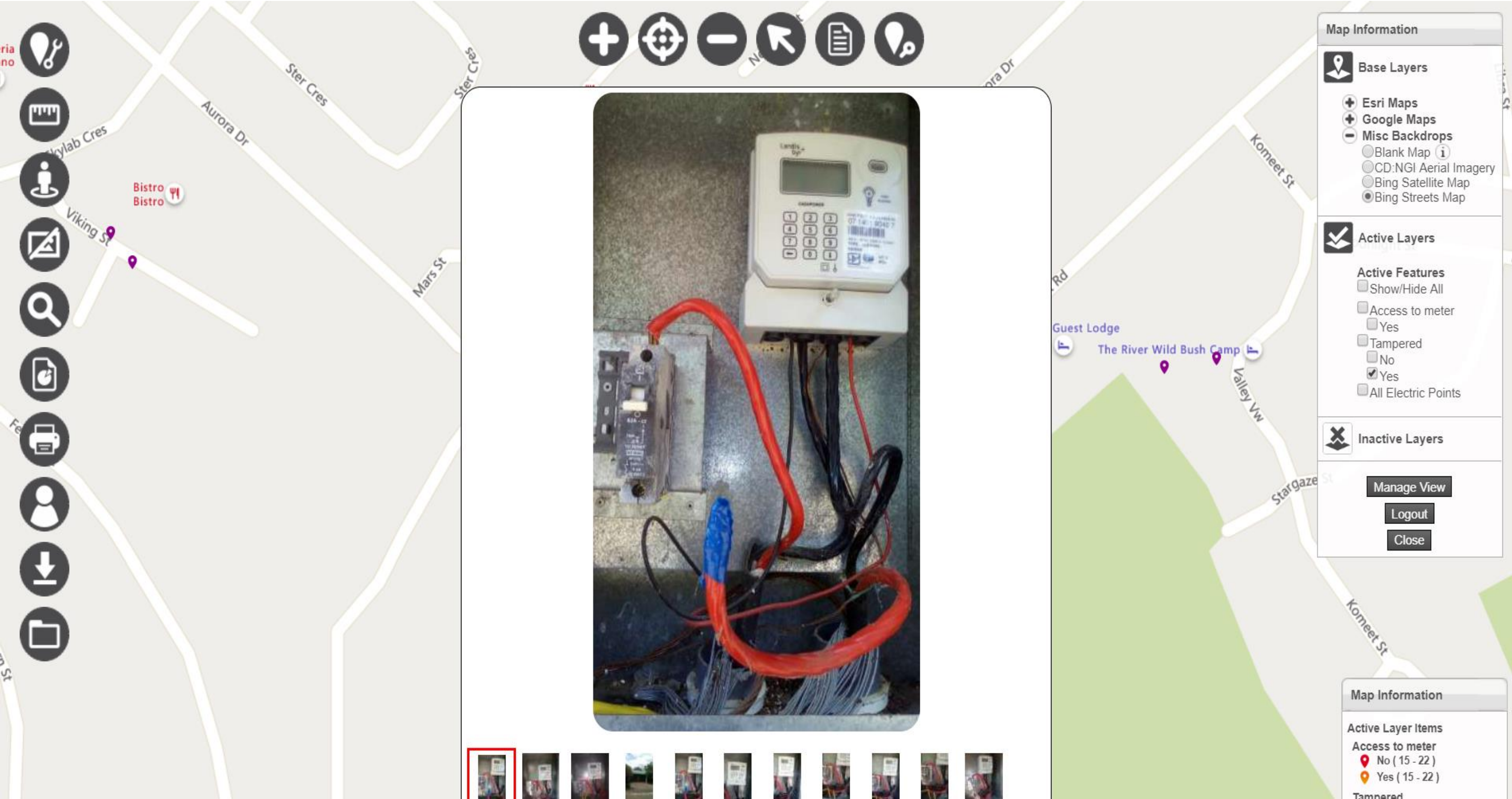
Consumer Completed ( 17 - 22 )

Property Completed ( 17 - 22 )

Services Completed ( 17 - 22 )



# GIS







# Conclusion





# Unlocking the socio-economic potential of the property portfolio for the benefit of the municipalities' residents

The next biggest source of revenue for most municipalities after trading services lies locked away in their land bases

*“Sound strategy starts with having the right goal. And I argue that the only goal that can support a sound strategy is superior profitability. ... If your goal is anything but profitability – if it’s to be big, or to grow fast, or to become a technology leader- you’ll hit problems.”*

[Michael Porter’s Big Ideas]





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