



## KWAZULU-NATAL PROVINCE

COOPERATIVE GOVERNANCE AND  
TRADITIONAL AFFAIRS  
REPUBLIC OF SOUTH AFRICA

### DIRECTORATE: MUNICIPAL FINANCE

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#### CIRCULAR NOTICE [C/02/07/2023]

### COMMUNICATION ON THE RECONCILIATION OF VALUATION ROLLS TO BILLING SYSTEM DATA TO SUPPORT AND IMPROVE PROPERTY RATES BILLING COMPLETENESS AND REVENUE ENHANCEMENT – IMPLEMENTATION SPECIFICATION STANDARD SG21\_26 CODING FOR MPRA DEFINED PROPERTY WITH TENURE TYPES

#### **ATTENTION: All Municipal Managers, Chief Financial Officers, and Designated Municipal Valuers**

In terms of the Local Government: Municipal Property Rates Act (MPRA) Section 81 Provincial monitoring and reporting -

(1) *The MEC for local government in a province must monitor whether municipalities in the province comply with the provisions of this Act.*

This circular is therefore prepared and issued in terms of the mandate of the MEC as CoGTA guidance on implementation specification standards and adopted resolutions to support your municipal rates and valuation roll team in the management and delivery of general valuations (GV's), the updating of valuation rolls and the billing for rates.

#### **KZN CoGTA Data Support – Reconciliation of valuation rolls to billing system data**

MPRA Data is governed by standard Templates adopted and specified in Bid documents and professional standards, and covers the structure, format, and content of the data. The Department conducts reconciliations of the valuation rolls to billing system data of identified municipalities to support revenue enhancement and billing completeness. This is mandated to be performed quarterly in terms of a KZN Provincial Cabinet resolution and is also guided by the requirements of National Treasury in accordance with regulations and circulars on the MFMA.

The adopted standard template “A” is for the valuation roll and the adopted standard template “E” is for the MPRA billing data.



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The adopted standard is the unique property identifier (UPI) comprising the Surveyor General coding of 21 and 26 digits together with Tenure Type (Definition of Property in terms of the MPRA) and must be applied in the provision of the standard Template data. Whilst the UPI SG coding system has been adopted by resolution and standards as far back as 2017, which forms part of the GV Bid specification documents, the Department has noted that the UPI SG coding system has not been fully implemented by some services providers of the roll and billing systems. Failure to implement the adopted UPI SG coding system is impacting on the ability to reconcile the valuation roll data (Template "A") to billing systems data (Template "E"). To promote compliance with the adopted standard, the UPI SG coding system is therefore more fully explained as part of the Circular notice to support full implementation.

**The implementation specification standard for the unique property identifier (UPI) using the adopted SG21\_26 coding for MPRA defined property with tenure types, is attached for implementation by the designated municipal valuer and the IT Billing System service provider which must be created and maintained on the valuation roll management system and applied to the municipal financial system for rates billing.**

Please kindly take note of the Circular content and implement the UPI SG coding system in terms of the attached implementation standard.

If you have any questions relating to the circular, please kindly contact the MPRA project office on- [mpra.project@kzncogta.gov.za](mailto:mpra.project@kzncogta.gov.za)

Yours faithfully

**DR HB KRISHNAN**

**CHIEF DIRECTOR: MUNICIPAL FINANCE**

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