Public Sector - Regional Services Councils

1993
Rezoning planned but Sandy Bay unaffected

CAPE TOWN — The pristine land above the Sandy Bay nudist beach that belongs to Absa is safe for the present.

But a large piece of land on the Hout Bay side will be subdivided and rezoned for housing if an application by Absa to the regional services council (RSC) is successful.

The application by Absa for the subdivision of the roughly 60 ha site and rezoning from rural to residential was lodged on December 21.

Surrounded

An RSC spokesman said the proposal would be advertised for comment and objections within three weeks.

Pierre Augustyn, managing director of Absa’s property arm, Bankorp Properties, said he was fully aware of the ecologically sensitive nature of the area.

“With the ecological integrity of the area, our development plan includes a green fringe or buffer zone for the site where stretches of indigenous flora can be preserved,” he explained.

“The housing units will not be visible or encroach in any way on the Sandy Bay side,” he emphasised.

Once the proposal is advertised, the public and other interested groups will have 21 days to comment and lodge objections.

Thereafter the application and the comments on the proposed development will go before the council for approval.

Magnate

Hotel magnate Sol Kerzner also owns a section of land between Llandudno and Sandy Bay, but the spokesman for the RSC said that at this stage no application for rezoning or development had been received from Kerzner.
Jo’burg set to provide services in Soweto

By Louise Marsland
Local Government Reporter

The Johannesburg City Council will be providing services in Soweto before the end of the month if consensus is reached this week on the structure of the municipality’s involvement.

The Central Witwatersrand Metropolitan Chamber meets tomorrow to hammer out the final agreement between Johannesburg, the Transvaal Provincial Administration and the Central Witwatersrand Regional Services Council (CWRSC) regarding the administration of Soweto and the provision of and payment for services.

If all went well, the Johannesburg City Council would call a special council meeting early next week to ratify its involvement in Soweto, management committee chairman Ian Davidson said last night.

Last year, Johannesburg agreed in principle to provide administrative advice, technical expertise and provide services and upgrade infrastructure — such as roads, sewerage services and recreational facilities — on an agency basis for the CWRSC.

The CWRSC would pick up the bill.

Priority

Outstanding issues to be negotiated include the rent boycott, Soweto and Diepmeadow’s huge debt and the financial responsibility for the two townships.

Davidson said Johannesburg’s priority would be to upgrade infrastructure.

“We have always acknowledged that Johannesburg has a historical responsibility to Soweto.

“The structure of our involvement was important, and the Soweto and Diepmeadow councillors were a stumbling block.”

Davidson emphasised that his council’s involvement in Soweto would not cost his ratepayers a cent and would not result in a joint administration or merger with either Soweto or Diepmeadow, as the structures stood now.

Soweto Civic Association general secretary Pat Lephumya last night congratulated the Transvaal Provincial Administration at the monthly chamber meeting for its decision on Soweto, and said it should be a lesson to national negotiators.

“For Soweto residents, it brings us closer to the reality of a single tax base.

“And I hope it will make people, black or white, believe that the negotiation process is working.”
legal action against rates boycotters

THE Western Cape Regional Services Council says it plans legal action against members of the Lotus River, Grassy Park, Ottery ratepayers association (Logra) after the organisation decided this week to continue its five-month-old rates boycott.

Homeowners have withheld payment of rates since an increase was announced in August last year. Since then all rates payable have been deposited into a Logra trust fund which now stands at R2300000.

In a statement this week the RSC said final notices would be sent to defaulters soon. If there was no response, summons would follow.

The "normal legal system will then recover the outstanding rates", the statement said.

The RSC said it was required by law to collect the rates. Action will be taken in terms of the Divisional Councils Ordinance against homeowners withholding their rates.

The boycott is aimed at forcing the RSC to extend services to the area, to scrap an 8.9 percent rates increase and to recognise Logra as representative of the people instead of the local Management Committee.

At a historic, but "unconclusive" meeting with the RSC last month, Logra also demanded that no legal action be taken against homeowners and that no interest be levied on rates arrears. Logra spokesman Mr Philip Bam said this week.

The due date for the annual payment of rates was September 30 last year. Mr Bam said rates would be withheld until Logra's demands had been met and any action against boycotters would be resisted.

During the meeting the RSC said the disbandment of the Management Committee and recognition of Logra was a constitutional matter over which it had no jurisdiction.

Logra's demand that all roads and services be upgraded by the end of this year were "unreasonable and impractical", it said.
GOVERNMENT NOTICES

DEPARTMENT OF FINANCE

No. 82 22 January 1993

KWAZULU AND NATAL JOINT SERVICES ACT, 1990
(Act No. 84 OF 1990)

AMENDMENT OF THE MANNER OF PAYMENT OF REGIONAL SERVICES AND REGIONAL ESTABLISHMENT LEVIES TO JOINT SERVICES BOARDS

I, Derek Lyle Keys, Minister of Finance and of Trade and Industry, under the powers vested in me in section 16 (2) (g) of the KwaZulu and Natal Joint Services Act, 1990 (Act No. 84 of 1990), as amended by the Taxation Laws Amendment Bill, 1992 (Act No. 136 of 1992), approve that the joint services boards in Natal may upon written application by an employer or person subject to such conditions as the board may determine, allow the employer or person to pay the total amount of levies for which he is liable, within 20 days after the end of every period of a year or such shorter period as the board may determine.

D. L. KEYS,
Minister of Finance and of Trade and Industry.

No. 89 22 January 1993

The Department of Finance announces hereby that transfer documents for registration in respect of the mentioned Republic of South Africa internal registered Stocks must be lodged with the Office of this Department at 301 Abattoir House, 50 Hamilton Street, Arcadia, Pretoria, not later than 29 January 1993 to qualify for the interest payment on 28 February 1993.

84436—1

GOEWERMENTSKENNISGEWINGS

DEPARTEMENT VAN FINANSIES

No. 82 22 Januarie 1993

WET OP GESAMMTLIKE DIENSTE VIR KWAZULU EN NATAL, 1990 (Wet No. 84 VAN 1990)

WYSIGING VAN WYE VAN BETALING VAN STREEKSDIENSTE- EN STREEKVESTIGINGS-HEFFINGS AAN GESAMMTLIKE DIENSTERADE

Ek, Derek Lyle Keys, Minister van Finansies en van Handel en Nywerheid, kragtens die bevoegdheid aan my verleen in artikel 16 (2) (g) van die Wet op Gesammtlike Dienste vir KwaZulu en Natal, 1990 (Wet No. 84 van 1990), soos gewysig deur die Wysigingswetsontwerp op Belastingwette, 1992 (Wet No. 136 van 1992), keer goed dat die gesammtlike diensterade in Natal by skriflike aansoek deur 'n werkgewer of persoon en onderworpe aan sodanige voorwaardes wat die raad bepaal, die werkgewer of persoon mag toelaat om die totale bedrag van die heffings waarvoor hy aanspreeklik is, binne 20 dae na die eind van elke tydperk van 'n jaar of sodanige korter tydperk wat die raad bepaal, mag betaal.

D. L. KEYS,
Minister van Finansies en van Handel en Nywerheid.

No. 89 22 Januarie 1993

Die Departement van Finansies maak hiermee bekend dat oordragdokumente vir registrasie ten opsigte van die ondergemelde Republiek van Suid-Afrika Binelandse Geregisterde Effekte nie later nie as 29 Januarie 1993 by die Departement se kantoor te Abattoirhuis 301 Hamiltonstraat 50, Arcadia, Pretoria, ingelewer moet word ten einde vir die rentebetaling op 28 Februarie 1993 te kwalifiseer.

14533—1
Plan to give buses to RSC

Municipal Reporter

THE government has given notice it plans to hand over responsibility for bus commuter services to Regional Services Councils by the end of March this year — and taxi and train services later.

This could cost the Western Cape RSC more than R10m.

A CPA memo to structures under the Western Cape RSC, which came to light yesterday, notes that the weakened economy has resulted in the government experiencing a shortage of funds to finance subsidies on bus services.

Yet in terms of an agreement between the government and the RSC's Association, "for the time being, the Department of Transport remains responsible for the subsidy it thus far has paid for this function (bus services)."

Cape Town's acting mayor, Mr Clive Keegan, said yesterday that his council had not been told what the new source of funds would be. "Perhaps a tax on motor car licences, or an increase in the petrol price?" he asked.

The Department of Finance was unable to provide further details yesterday.

Mr Keegan said his council was opposed to the entrustment of any further functions to the RSC, on which he also serves.
Chamber digs in over buses

Regional services councils were in unseemly haste to take on extra powers and further entrustments, Mr Neil Ross said.

The city council yesterday reiterated its opposition to the entrustment of passenger transport services to the Western Cape Regional Services Council.

A motion adopted by the council said it "reserved the right to take such steps to oppose the entrustment as it may deem expedient."

Mr Ross said RSCs were inappropriate vehicles for new metropolitan government.

"This sort of political behaviour, with the connivance of central government, is unacceptable," he said.

Mr Dick Friedlander said the council's fundamental objection was its "unilateral restructuring."

Mrs Edaline Stott said the people of Cape Town no longer had an adequate bus service. Refusal to pay subsidies, or form a public utility company, had led to this.

"Now, there is a dog-in-the-manger attitude - that if we don't do it, no one else should do it," Mrs Stott said.

The council is to ask the help of the Major Cities Association to snuff attempts by the Association of RSCs to entrench and enhance the role of the controversial bodies.
Regional services councils should be represented on the Western Cape Regional Dispute Resolution Committee, its executive committee decided at a meeting in Bellville.

It was agreed that the nature of this representation would be determined by the committee and steps to implement it would follow.
Raid drives TB family into toilet

By Rehana Rossouw

A MOTHER and her two children were forced to sleep in a toilet in Uitsig this week when Regional Services Council (RSC) officials confiscated a tent that gave them temporary shelter.

Mrs Joan Pienaar is among a group of about 40 families the RSC has hounded out of the backyards of the filthy northern suburbs township and left in the open.

Infected with tuberculosis, the group lost their homes, food, clothing and bedding when council officials confiscated their belongings.

Their plight has outraged a social worker employed by the RSC who said she was prepared to break council regulations and speak to the press about her "frustration" at their lack of sympathy for people in the area.

"I keep writing letters to the housing department, begging them to give these people, especially those with tuberculosis, a home," she said.

"I feel so frustrated; these people come to me for help, but I know they will find little sympathy with the housing officials."

The social worker said the community had among the highest tuberculosis statistics in the Cape and she was convinced the causes were socio-economic.

The families lived in shacks in the backyards of Astron Avenue until last month. The tenants evicted them when they allegedly received letters from the RSC.

The letters apparently threatened to replace the legal tenants with the squatters. However, the squatters deny they have informed the RSC they are prepared to pay the rent.

The families moved onto a litter-filled field, where they re-erected new tents and constructed their own toilet using building materials.

The Uitsig United Residents Front, concerned with the destitute families, last Friday morning, the field was raid, and the RSC confiscated the tents and the families' possessions.

"All I have left are two blankets and a foam mattress," said Pienaar, who was given shelter in a stinking, outside toilet about three metres long and a metre wide.

She is sleeping in the toilet with two children aged seven and one year. Her 11-year-old son sleeps on the floor of a shack nearby.

"I have tuberculosis, my sons have tuberculosis and I am waiting for the results of my baby's X-ray," said Pienaar.

"The council wants us to live like animals. I am sure their white officials won't even let their dogs sleep in a filthy toilet."

The United Residents Front spokesman Mrs Anne Jacobs said the RSC broke an agreement it had with her organisation to provide shelter for the families.

"We met the RSC on January 27 and they agreed the people could live on the field temporarily," Jacobs said. Jacobs said she was concerned about the families as winter was approaching and they needed shelter before then.

"The RSC is heartless. They have absolutely no shame. But we will stop them, even if we have to go to the highest court in the land," she vowed.

A spokesperson for the RSC, Mr Norman Carpenter, denied that they gave the Uitsig United Residents Front permission to erect structures on land for the shack dwellers.

"The minutes of the meeting will show that it was agreed that tenants in Uitsig will be requested not to allow the erection of additional shacks," he said.

"No agreement was made with the squatters to pay rent as they are regarded as unauthorised sub-tenants. It is not known why the legal tenants evicted the sub-tenants as no threats or letters were sent," Carpenter said.

In spite of what was agreed at the meeting, the United Front "wisely" allowed two families to erect illegal structures in Astron Avenue.

He confirmed the structures were demolished on February 2 and the tenants subsequently removed last Friday at the request of the House of Representatives.

Carpenter said the council had established a working group to identify land to establish an informal housing project where families could be rehoused, but did not say when housing would be available.
THE GDP generated in the inner city is R13.2-billion a year. This amount accounts for 37% of the Central Witwatersrand Regional Services Council (CWRSRC) area, 14% of the PWV and 6% of national GDP. The rateable property value is R10.1-billion.

The rates collected in the Johannesburg inner city are R180-million a year (42% of total rates income).

Formal sector employment opportunities number 280,000, which represents 34% of the CWRSRC area and 6% of the national total. This is higher than the combined opportunities offered by the Pretoria, Cape Town and Durban CBDs.

Southern Africa’s only stock exchange and the headquarters of all major SA banks, many of which have interests in neighbouring states, are in the CBD. Of the 771 shares listed on the JSE, 205 had head offices in the CBD. Their combined market capitalisation is about R244-billion, 44% of total market capitalisation.

Last year, 108 plans for CBD buildings were submitted and 95 approved with a value of R269.3-million. The major projects are: Southern Life revamp, R395-million; BankCity, R105.5-million; Ryclock Investments parking garage; Sanlam Centre, R115-million; Liberty Life revamp, R50-million; bridge over railway between King George and Wanderers Streets, R36-million; Braamfontein (new offices), R124.4-million; new Standard Bank, Selby, R30.1-million; United Towers revamp, R19-million; SA Reserve Bank, Newtown, R75-million.

Source: Johannesburg City Planning Department
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Source: Johannesburg City Planning Department
Local govt faces cash crisis, bank

SA's local government faces a financial crisis which will cause a "severe and rapid" deterioration in urban services, the World Bank's Urban Economic Mission to SA says in its latest report.

The mission, which visited SA in late January and early February, has handed the report to the Witwatersrand Metropolitan Chamber as policy input. It is the latest in a series of in-depth studies undertaken by the Bank on urban development in SA. It called for a reform of the structure and functions of SA's public sector.

The bank noted serious attention would have to be paid to developing a "significant and buoyant" tax base at the local government level. The present (RSC) turnover and payroll taxes did not fit the bill. At their present low rates, they did not raise enough revenue, but raising RSC levies was not a viable option. The turnover tax was "competed" with VAT and would hurt consumers, while the payroll tax could be "rolled back" to lower wages.

Measures also have to be taken to enhance local borrowing capacity, including writing off local authorities' debts. The report said the significant borrowing by black local authorities in the '80s and early '90s primarily bridged finance from the provinces should be written off as " sunk costs" of apartheid.

Revenue at the lower levels of government could be augmented through the introduction of a new personal income tax. Local governments could introduce a personal tax surcharge (or "piggy-back") at a rate in line with their financing needs.

Other taxes that could be applied at lower levels of government were fuel and vehicle taxes, and a levy on agricultural land.

There was also significant potential for expanding the property tax base, with all urban properties potentially part of the base.

But development of the regional tax base and writing off of debts might not be sufficient to enable local authorities to borrow enough on the capital market to finance infrastructure spending.

Central government would have to assume responsibility for financing investment backlogs.

The proposed surcharge on personal income tax could be used for this. The surcharge could be time-bound to represent a one-time transfer of wealth to finance the urban infrastructure backlog. It could also be leveraged so the public investment programme could be undertaken in a relatively short time.

The bank criticised the present structure of the public sector, saying the system of higher levels of government subsidising lower levels created economic distortions and had the potential to destabilise the macro-economy.

"Just as the apartheid structure could not survive the dynamics of urbanisation and demands of a productive urban economy, the public sector organisation and financing based on that system cannot survive if SA is to achieve sustainable and equitable economic growth."
± 34% of the cases had never previously been found guilty of an offence

These particulars have only been obtained from available data and are not the result of empirical research. The Department has not established contact with the Criminology Institute of the University of South Africa with a view to cooperation in respect of empirical research into the phenomenon of recidivism.

As the Department's computerization programme progresses and data which is presently still only available at certain prisons on a nationwide basis is centralized, more exact facts will be more readily available.

**Tran violence deaths**

*24 Mr R J LORIMER asked the Minister of Law and Order:

How many deaths resulted from violence on trains and stations on the Witwatersrand in 1992?

The MINISTER OF LAW AND ORDER:

216 deaths

**Home Affairs: Criminal actions against officials**

*25 Miss M SMUTS asked the Minister of Home Affairs:

Whether, with reference to a statement made by the Director-General of his Department on or about 22 September 1992, investigations have been completed in respect of and/or steps have been taken against (a) two officials against whom disciplinary action is being considered, and (b) three officials against whom allegations of misconduct in terms of the Public Service Act, 1984 (Act 111 of 1984), were being investigated, and possible criminal action in terms of the Administration Act, 1991 (Act No 96 of 1991), was being considered, as at the above-mentioned date, if so, (1) when were these investigations completed and (a) what steps have been taken to date?

The MINISTER OF HOME AFFAIRS:

(a) The list of the investigations was completed in January 1993

DISCRIMINATION AGAINST WOMEN: CONVENTIONS

*26 Miss M SMUTS asked the Minister of Foreign Affairs:

(1) Whether, with regard to (a) the United Nations (UN) Convention on the Elimination of All Forms of Discrimination against Women and (b) any other UN conventions concerning women, the Government has (i) (aa) signed and (bb) ratified, and (ii) registered any reservations to any articles of, any of these conventions, if not, why not, if so, (a) when were these reports so submitted and (b) will they be released for publication?

The MINISTER OF FOREIGN AFFAIRS:

(a) (i) (aa) Yes

(b) No

The conventions were signed on 29 January 1993. Their ratification will be considered at a later date. Reservations can only be registered at the time of ratification.

(2) (a) the UN Convention on the Elimination of All Forms of Discrimination against Women of 1979,

the UN Convention on the Nationality of Married Women of 1957,

the UN Convention on the Political Rights of Women of 1952,

In addition, South Africa acceded to

the UN Convention on Consent to Marriage, Minimum Age for Marriage and Registration of Marriages of 1962.

(b) None

PARSONS COMMISSION: FURTHER REPORTS

*27 Mr D S PIENAAR asked the Minister of Regional and Land Affairs:

Whether the Commission of Inquiry into the 1986 U libre and Alleged Maladministration in KwaNdebele (Parsons Commission) has submitted any further reports to the State President in addition to those already published, if not, why not, if so, when (a) were these reports so submitted and (b) will they be released for publication?

The MINISTER OF REGIONAL AND LAND AFFAIRS:

The Commission of Inquiry into the 1986 U libre and Alleged Maladministration in KwaNdebele (Parsons Commission) submitted a third report to the State President on (a) 18 September 1992 and (b) that report will be made public as soon as the Government and the Government of KwaNdebele have jointly decided on a date for the release of the report in the case of the previous reports.

INTERPELLATION

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

OWN AFFAIRS

Disaster drought aid scheme

*1 Mr D S PIENAAR asked the Minister of Agricultural Development:

Whether any special disaster drought aid scheme is applicable to self-supporting economic farming enterprises adjacent to agricultural schools, if not, why not, if so, what are the relevant details?
New RSC chief officer named

Municipal Reporter

THE new chief executive officer of the Western Cape Regional Services Council will be Mr DJ van den Berg, now the RSC's chief director of administrative services.

The present CEO, Mr Chris Moodie, announced in December that he would retire at the end of March. ET 25/11/92
Labour-intensive projects favoured

Greta Steyn

THE construction industry has made a strong plea for labour-intensive building as a means to create jobs.

Submissions to the National Economic Forum will be used by the forum's short-term working group to draw up a consensus document on employment which could form the basis of government policy.

The document is expected to be finalised by the end of April.

The working group this week heard verbal submissions from 16 organisations chosen from more than 60 responses to requests for written suggestions.

Government, labour and business delegations would study the submitted submissions and oral testimony, the forum said yesterday.

Each would draw up a report which would then be considered by the working group with a view to reaching consensus.

Submissions chosen by the working group included those from the National Committee for Labour-Intensive Construction and consulting engineering firms Soderland & Schutte and B S Bergman & Partners.

The committee said the SA Federation of Civil Engineering Contractors was "completely" in favour of labour-intensive construction projects and would do "everything possible" to ensure their success and viability.

The construction method uses as much labour as technically possible without compromising standards.

The Small Business Development Corporation and the Sunnyside Group submissions focused on small business development.

The Sunnyside Group argued that elements of entrepreneurial and small business development had to be built into programmes such as housing projects.

Other submissions focused on small-scale farming.

Agrilink argued small-scale agricultural development created jobs at less than the cost of job creation in formal industry.

Common themes in submissions were housing projects, electrification, road building and provision of infrastructure in labour-intensive ways.

The Standing Committee on Water Supply and Sanitation noted job creation opportunities in rural and urban areas.

Improvement of rural sanitation could create an initial 2 000 jobs.

On financing, Nedcor/Old Mutual's Professional Economic Panel suggested the creation of an independent public works trust which received annual state grants.

The trust should absorb or co-ordinate job creation activities currently undertaken by institutions such as the IDT, DBSA and the Urban Foundation.
Spending over budget queried

SCRUTINY of spending over budget by the Western Cape Regional Services Council took up a major portion of debating time at a recent meeting of the Local Council of Constantia Valley.

The local council's chairman of finance, Mr. Ron Gaylard, combed the budgetary control report, picking out items where budget allocations were being exceeded.

Chief focus was on building survey and drawing office expenses, which fall under "general services", rendered in Constantia and Tokai by the WCRSC.

In the year to December 1992, the building survey-branch, which in past years has paid for itself, has cost Constantia nearly R30,000.

Complained

Mr. Bill Carter, who heads the branch, explained that not only were fewer plans going through the department because of the economic climate, but there was also a shift in the nature of building operations, away from new structures and towards alterations and additions.

The value of this work is low, but the complicated inspection work required was high. The return on fees paid was far smaller than for new buildings. Council was warned that the situation would worsen in the months ahead.

Land survey costs for the period were R17,700 over the R300,000 allocated. This resulted from unforeseen costs incurred in the general survey of properties, for the revised rates assessment, which is nearing completion.

Mr. Gaylard also pointed out an item listed as "general improvements" for which R90,000 had been budgeted, and R111,867 spent—leaving a shortfall of R21,867.

He repeated a request, made at last month's meeting, for more detail of what these improvements were.

Income

He understood that the income and expenditure of many departments was determined by demand for services, which could not always be predicted when budgets were set. But he appealed for any trend in overspending to be reported as soon as it was identified to allow budget control.

He also pointed out that there were several regional services council departments which derive income from their activities—including the building survey branch—but that income was not reflected separately. He appealed to the WCRSC to do their accounts for Constantia and Tokai so that, where possible, income and expenditure could be compared.

He also rapped the chairman of his own local council's committee over the knuckles.

At last month's meeting, he had appealed for reports on each committee's finances, so that he could assess what had been allocated and spent.

To date, he had only received one such report, from the engineering committee.
Your RSC can fine you R5 000

Is YOUR business liable for a fine of up to R5 000 for failing to register with your local regional services council (RSC)? Many a new entrepreneur is unaware that his business, in most cases, liable for the two levies imposed by the Regional Services Councils Act 1985.

MANY new entrepreneurs are unaware that their businesses are liable for regional services council levies. Only the smallest of home businesses escape this net, reports LEIGH HASSALL.

The scope of the Act is wide enough to include the dressmaker who works from home to the sole proprietor who runs the local art gallery, to the larger retailing company.

As soon as the entrepreneur or his business entity employs someone (other than a domestic worker) or starts trading, he is legally liable for the levies.

Two levies imposed on most businesses

The Central Witswaterrand RSC currently charges 33c per R100 for the services levy and 14c per R100 for the establishment levy.

The services levy is calculated on the employees’ payroll including drawings taken by the sole proprietor or partner — as well as directors’ remuneration. Lump-sum payments, voluntary awards and the taxable value of fringe benefits should also be included.

Drawings of non-cash items, such as stock or the private use of a business asset, are considered to be remuneration and must be included in the calculation.

The establishment levy is payable on the turnover of the business. The Act defines leviable transactions as the selling of goods and fixed property, the letting of goods or fixed property, and the rendering of services.

Combinations

The exemption for the home hobbyist applies only if the total of the services and establishment levies for the year are less than R50.

For example, a dressmaker who has monthly drawings of less than R500 and a turnover of less than R1 500 would not need to register.

As the R50 limit applies to the total of the two levies, a number of combinations of drawings and sales are viable and the small home operator should make his/her own calculations.

The entrepreneur can elect to pay the levies on an annual basis, which obviates the need for the small business to write-out a monthly cheque for a nominal amount.

Mandy says the income is used for infrastructural services in areas where the greatest need exists.
ONE cent per litre of the fuel levy on petrol and diesel would be channelled directly to Regional Services Councils (RSCs) as from July 1 this year, a system which is expected to generate R140m annually for RSCs, Finance Minister Mr Derek Keys announced yesterday.

The funds raised in this manner would supplement the R666m RSCs would receive in the 1993/94 fiscal year in the main appropriation for bus commuter transport.

This represented an increase of only 3.7% over the 1992/93 main appropriation and Mr Keys said RSCs would have to make a greater contribution to meeting the costs of bus commuter transport.

Mr Keys said the present subsidies on commuter transport services were insufficient for RSCs to finance them from their existing revenue sources.

Until alternative sources of revenue were available to RSCs, the state would continue to finance the bulk of the costs via budget allocations.

The approximately R140m raised by fuel levy deduction could also be accessed for financing other services such as subsidiary roads, where they were not required for bus transport.

The decision was based on the government's longstanding policy to devolve responsibility for all commuter transport onto RSCs.
Now civic groups call in budget
DBSA to fund Rand water treatment

The Development Bank of SA has extended a R380 million loan to the Central Witwatersrand Regional Services Council for the upgrading of a waste water treatment facility in the Klip River basin south of Johannesburg.

The agreement, signed yesterday, paves the way for the start of the project, whose total value is estimated at R623 million at current prices. It will be completed over five years.

The DBSA said in a statement that the project would establish the infrastructure to sustain long-term urban development in the region and to cope with the impact of urbanisation.

It would also optimise waste water treatment for a sub-region serving an estimated four million residents in 16 local authorities and protect the water resources of more than seven million people in the lower Vaal River catchment area.

The Johannesburg City Council would be the implementing agent of the project and would also deal with the institutional, developmental and constitutional arrangements, the DBSA said.
New job leads to resignation

Krugersdorp town councillor Dr Benon van Graan resigned at last night's monthly council meeting.

He was recently appointed chairman of West Rand Regional Services Council, after the resignation of Nels de Bruyn, who has become town clerk of Worcester in the Cape.

By-elections in the town's two vacant wards will be held, a date still to be set.
R7-m from RSC to buy flats

By Jo-Anne Collinge

In a bid to reverse inner-city decay, the Central Wits Regional Services Council (RSC) has made an unprecedented grant of R7 million to the Johannesburg City Council to assist groups of tenants in Hillbrow-Joubert Park to buy the flats they occupy.

The money will go to the Inner City Housing and Upgrading Trust — controlled by council, business and community representatives — to provide loans or loan guarantees for tenants.

An RSC spokesman said it was estimated that the guarantees could mobilise up to R28 million.

The grant is a crucial boost to the Seven Buildings Project, in which tenants have been working for almost two years to find the means to buy, restore and manage the blocks of flats where they reside.

Financial institutions, which have a general policy of refusing mortgage bonds in Hillbrow and Joubert Park — a practice known as "redlining" — have agreed to make loans to the Seven Buildings Project.

In a press release, the RSC stated that the grant to the council had been made in the light of its argument that "the state of Johannesburg's inner city — and in particular the central business district — is of prime importance to the economy of the whole region".

However, the money would be released only once the RSC had been supplied with further details of the terms and conditions of its use.

RSC members regarded Johannesburg's application as incomplete in terms of information given.

The Seven Buildings Project has the support of the Central Johannesburg Partnership and is being assisted by a range of organisations, including the Legal Resources Centre, the New Housing Company and Actstop.
Grants coming

A R3 million grant for housing and a further R7 million for inner-city development is to be granted to the Johannesburg City Council, the Central Watwatersrand Regional Services Council announced yesterday.

The Goliath Housing Development Project is east of Eldorado Park on the West Rand, the RSC said in a statement.

The R7 million was for refurbishing buildings and providing financial assistance to groups of tenants, as Johannesburg's inner city was of "considerable importance" and the council on the budget which would, underpin the city council's and CWRSC's tax base.

The decision to make the grants available came at a council meeting on Tuesday.
R235 million budget for East Rand

THE East Rand Regional Services Council has approved a budget of R235 million to be spent on upgrading "the quality of life for all in the region."

The biggest chunk of the money, R82 million, will be spent on construction projects and more than R40 million will be spent on treatment and disposal of waste water

Presentation

Community projects have been allocated R19,9 million and development aid R41.5 million

In his presentation of the 1993-94 budget to the recent full sitting of the East Rand Regional Services Council in Germiston, the chairman, Mr Leon Perezra, announced that the council will not increase its levies in the coming year


Meanwhile, Eskom will be repairing the electricity network in Diepkloof and Mandowlands in Soweto today. If you experience any power cuts, call Eskom's toll-free number 0800-11433
Sandton's R3-m won't go to RSC

By Anna Cox

The Sandton town council last night decided not to hand over to the regional services council the R3 million it had recently budgeted for its poorer neighbours.

Councillor Rick Ehlers said the RSC was not a "properly constituted body" and the money should be kept in a suspense account until a credible, representative metropolitan body was in place to receive it.

If the money was handed to the RSC, it would be put into a kitty and used for communities outside the Sandton area, he said.

Management committee chairman Peter Gardner said the money was a provision for contingencies and agreed it should be paid to a "legitimate body".

The council last night opposed an application for the construction of a public garage, offices and shops on William Nicol Drive.

In a report handed to the council, the town planning department said most residents objected to the proposal because it was beyond the residential area of Glenadrienne. The garage would generate non-residential traffic which would cause high noise levels after hours, the report said.
Regional Services levy goes up today

By PETER DENNEHY

ONE of the Western Cape Regional Services Council (RSC) levies goes up today by 17.8%, from 17 cents in each rand of a business's turnover to 20 cents in the rand, which amounts to R1 per R500.

The other levy, on the total remuneration packages paid out by businesses, remains the same at 23 cents in the rand, or R1 for each R400.

A new feature in yesterday's RSC annual budget was the inclusion of an expected income of R13.4 million from a "cent per litre" regional levy on fuel sold.

This levy, announced by Minister of Finance Mr Derek Keys in his national budget speech in March, comes into effect from today.

But an RSC spokesman said there would be no rise in petrol prices as the move was merely a shift of funds from the government, which collects the levy, to the RSC. Almost R11m of the extra money for the RSC will subsidise bus transport - is a new function assigned to RSCs since March.

The total operating expenditure on the 1983/4 RSC budget is just short of a billion rand (R990m), about half of which goes on activities that the council undertakes on behalf of the Provincial Administration.

Total budgeted RSC capital expenditure is R233m, of which R45m will be spent on the council's own activities. Some R46m will go to non-viable local authorities, so that services can be maintained.

Areas within RSC boundaries that have local councils, like Constantia Valley and Ottery, announce their own property rates increases.
Blondey Stein and Phelan

Mitigation bid to take over RSC areas

Climatic Impact

City
Black members of Regional Services Council dwindling

The resignation and suspension of members of black local authorities like Linglethu-West and Ikapa has meant a shrinking number of black faces in the regional chamber. Yesterday, the RSC scored a first with a father-and-son team at the same meeting. Parow councillor Mr. Attie Adriaanse was joined by his son, Mr J G Adriaanse, who had been appointed by Mr Meiring to represent Ikapa. Cape Town councillor Mrs Eula-Re Stott said it was "sad" the RSC had fewer representatives from black townships.

"One of the reasons I agreed to associate myself with RSCs was because black areas were to get representation," she said.
RSC, head denies DP statement

MR. F.J. Louwser, chairman of the Regional Services Council, has denied a claim by Mr. Jeff Leonard, chairman of the Atlantis branch of the Democratic Party, that he asked him not to speak to the press about the situation of 4000 Atlantis residents in arrears with rates, electricity and water payments.

Mr. Louwser also denied that he had threatened the DP branch in any way, as was also claimed by Mr. Leonard in a recent Cape Times report that legal action against the defaulters had been stayed because the government was giving special attention to the hard-hit area.

He said the decision to stay legal action had had nothing to do with pressure from the DP branch, and had been taken before a meeting he had held with Mr. Leonard on July 23.

Mr. Louwser said his meeting with Mr. Leonard had been amicable, and he had handed a copy of his press statement about the council's decision to him at the outset of the meeting.
The Municipal Reporter

Regional services councils (RSCs) as we know them could disappear next year, Administrator of the Cape Mr Kobus Meiring told the Association of Cape RSCs at their annual congress in Somerset West.

Mr Meiring said there was no clarity on how the new constitutional dispensation would affect various institutional authorities. "The whole RSC system as we know it could disappear by next year." He urged RSC members not to panic about the future, as there would be various opportunities for them. "You already have expertise and abilities. It would be foolish for any government not to use this expertise to its full potential."

The main complaint against the present authority structures, and thus also against the RSCs, related to their legitimacy. This complaint could be addressed, changed and transformed in such a way as to ensure survival, Mr Meiring said.
Mass action begins today with sit-ins at RSC offices

Write off R70 m — civics

ROGER FRIEDMAN
Staff Reporter

THE Joint Civic Forum, made up of civics and residents' associations in Regional Services Council controlled areas, begins a programme of mass action today with the occupation of RSC offices across the Peninsula.

The forum is demanding that R70 million in rent and service arrears be written off.

Last night the forum claimed that negotiations with the Cape Provincial Administration, the Western Cape RSC and the House of Representatives had deadlocked.

Motivating the forum's demands, chairman Charles Basson said:

- Few could afford rent and service charges
- Services were poor or non-existent
- Many people were unemployed or under-employed
- Local government structures were illegitimate

Mr Basson said the forum had initiated negotiations with the CPA, the Holt and the RSC in May and a joint working group had been set up.

"It was agreed that a moratorium on all rent and service charge arrears be set up. A technical committee was established on June 14 to hammer out a proposal acceptable to all parties and on June 22 the technical committee chairman in the House of Representatives reported back to the working group."

The proposal was:

- That rent and service charge arrears be waived for all unemployed, and for homes where breadwinners earned less than R1,000 a month.
- That the definition of unemployed be broadened
- That for residents earning more than R1,000 and for eligible buyers in terms of the Housing Sales Campaign, arrears be added to bring the price of the house up to a maximum of R7.5m

But after "numerous" meetings during July the RSC could not agree to the joint proposal and at the end of July lifted the moratorium on arrears "in contravention of earlier agreements", Mr Basson said.

The Joint Civics Forum thus planned to "pursue all forms of community protest to force the local government to accede to our reasonable demands".

It called for the restructuring of local government "to facilitate responses to the needs of the poor".

It appealed to all affected owners and tenants to pay their current accounts but not arrears.
Stand-off as RSC staff locked in

Staff Reporter

PROTESTERS and police were locked in a tense stand-off at the Delft Civic Centre yesterday when three Regional Services Council employees locked themselves in an office during a community protest.

Delft Civic Association chairman Mr. Wayne Koen said the two men and a woman had locked themselves in when he and his supporters occupied the offices to hand over a petition — "Now they are saying we are holding them against their wishes."

The sit-in was part of a campaign by the Joint Civics Forum to scrap R70 million arrears in rent and service charges.

Another sit-in took place in Eerste River yesterday.

A police spokesman said the sit-in ended when the protesters handed their memos to police to be passed onto RSC officials.
RSC offices occupied in rent arrears action

Staff Reporters

SUPPORTERS of the Joint Civics Forum have occupied Regional Services Council offices across the Cape Flats to demand the scrapping of rent and services arrears and the immediate restructuring of local government.

Yesterday, petitions were handed to RSC officials at their Belhar, Elsies River, Delft, Uitsig, Ravensmead and Eerste River offices.

The Joint Civics Forum, established at the beginning of the year, consists of civic associations — some affiliated to the South African National Civic Organisation — in RSC-run areas.

Affiliates include civic associations from Atlantis to Strandfontein.

Chairman Charles Basson said the forum had been established around specific issues.

He said few residents could afford rent and service charges, the services were sub-standard, there was large-scale unemployment and local government structures were "illegitimate".

Talks involving the forum, the RSC, Cape Provincial Administration and the House of Representatives broke down last month.

Mr Basson said yesterday's action was meant to stimulate a return to the negotiating table.

He warned that should the local authorities not reinitiate "serious negotiations" immediately, Cape Town should brace itself for intensified "mass action".

Only once a commitment was made on the scrapping of the R70 million rent and services arrears could the future of local government and the provision of "meaningful services" be placed on the table, Mr Basson said.

The Sanco-affiliated Eerste River Residents' Association, backed by the Eerste River branch of the African National Congress, remained at the Melton Rose RSC office today.

Eerste River Sanco spokesman Basil Nefdt said the occupation was being continued because the RSC had failed to comply with a 24-hour ultimatum to commit itself to negotiations and to supply water to the Antoniessbos, Happy Valley and Welgevonden informal settlements in their area.

A meeting would be held tonight to decide on further action.

Delft Sanco chairman Wayne Koen said that apart from the broader demands of the forum, the water supply of 35 residents had been disconnected in the past few weeks and he warned of "rolling mass action" in that suburb.
Sit-in by squatters turns into lock-in

JOHAN SCHRONEN
Weekend Argus Reporter

A SIT-IN at the Regional Services Council offices in Meltonrose, Eerste River, turned into a "lock-in" for about 40 men, women and children when RSC officers padlocked the doors last night.

Residents of the Welgemeend, Happy Valley and Anthony's Bush squatter camps in the area had staged the protest since Wednesday to demand a basic supply of running water to their areas.

An executive member of the Western Cape Peace Committee, Barend Hendricks, who was also locked in, said the residents were being supported by the ANC, the SACP, Sanco and the Joint Civic Forum but a "communication breakdown" between the RSC and the group ended negotiations in a deadlock.

Mr Hendricks said he went into the building last night to suggest that the people go home while he continued negotiations on their behalf, but when the group got up to leave, the guards slammed the doors, locked them and "cocked their guns".

The guards threatened to shoot us if we touched the padlocks," said Mr Hendricks.

Police confirmed the incident and said no one had been arrested or hurt.
Sit-in protesters locked in

THIRTEEN squatter toddlers, their mothers and ANC and peace committee members were locked in at the Melton Rose RSC offices in Kleinvlei, Kuils River, late last night after a sit-in that started on Wednesday.

The sit-in was against an agreement written up by the RSC on the water supply to squatters, said ANC spokesman Mr Chris Nissen. He said he and two peace committee members had gone to the offices to mediate, but were locked in by RSC officials.
RSC evicts protesters

Staff Reporters

WESTERN Cape Regional Services Council security officials today broke down a door and fired teargas at Joint Civic Forum protesters sitting in at the RSC's Melton Rose office, forum spokesman Charles Basson said.

About 20 protesters were in the offices about 11.45am when the security officials broke in, he said.

The incident took place while forum leaders were in talks with senior RSC officials at the peace committee offices in Bellville.

An umbrella of civic and resident organisations in RSC-controlled areas, the forum is demanding that R70 million rent and services arrear payments for the unemployed and bondholders earning less than R1 000 a month, be written off.
"Peace officials get locked in"

Staff Reports

TWO Peace Secretariat officials and a senior ANC delegate were locked into a Regional Services Council building in Eerste River with about 30 protesters by RSC security guards on Friday night.

Mr Chris Nussen, a regional executive member of the ANC, said last night he and the peace workers, Mr Barend Hendriks and Mr Aubrey Baardman, were locked in for over seven hours and that guards hurled verbal abuse and cocked a firearm in their presence when they demanded to be let out.

The RSC could not be reached for comment yesterday.
RSC building, car damaged

STONES were thrown at the Regional Services Council building in Kleinville, causing at least R10,000 worth of damage and, in another incident in the suburb, a council car worth R5,000 was set alight, police said.

The incidents followed a protest sit-in at the RSC's Melton Rose, Kleinville, office on Monday which ended abruptly when security officials fired teargas into the building.

Joint Civic Forum members were demanding that R70 million of rent and services arrear payments be written off for the unemployed and breadwinners earning less than R1,000.

Police said that late on Monday groups of people pelted stones at the RSC building, shattering all the windows. A petrol bomb lobbed into the building did not explode.

And RSC employee Mr J van Rooyen was forced to stop the council car he was driving by two men who blocked his path in Keerom Street, police said.

Mr Van Rooyen was ordered out of the RSC vehicle, which was then set alight, the spokesman said.

More than R20,000 worth of damage was caused to a stationary truck in Mbekweni, Paarl, when petrol was sprinkled in the cab and ignited yesterday.
Commissions for councils?

Municipal Reporter

THE Western-Cape Regional Services Council is seeking backing from other local authorities for councils to be allowed to appoint commissions of inquiry.

At present only provincial administrators may appoint commissions to probe the affairs of city and town councils. RSC chief executive officer Daan van der Berg said the time had come for councils to be given effective powers to investigate alleged irregularities.

Amendments to the Committee of Inquiry Ordinance proposed by the RSC include allowing the administrator to delegate powers of inquiry to a local authority. Each council would have to pay for its own costs.
Public Sector - Regional Services

Councils

1994
Council wants RSC areas to fall under new metropolitan control

Municipal Reporter

The City council has widened its boundaries for the future metropolitan council to include the whole regional services council area.

Earlier, the executive committee recommended excluding a large area surrounding Paarl and Wellington, but this was rejected.

At a special meeting yesterday, the council approved a much larger metropole by 22 votes to three.

Exco recommended the new borders after a presentation on the economy of the region by Wesgro executive director David Bridgeman.

The deadline for proposals on outer boundaries for the metropolitan negotiating forum, and the transitional metropolitan council, is Monday.

Opposing the recommended larger metropole, Neil Ross said there was a danger of a "collision course" between the metropole and the region.

He said exco's recommendation was based on "muddled thinking" about the definitions of regions and metropolitan areas.

The proposal would "cater" the future regional government's ability to provide services, especially to the rural hinterland beyond the metropole.

If regional functions were carried out by the metropolitan government, the rest of the Western Cape would not be able to function properly.

"You are creating a mini-region," Mr Ross told colleagues.

Proposals by local government bodies for outer and internal boundaries will be discussed by the Cape Metropolitan Negotiating Forum.
RSC demo — peace monitors move in

Political Staff

PEACE monitors have moved into the Atlantis offices of the Western Cape Regional Services Council after 30 people were ordered to end their occupation of an administration building in Westfleur.

Police were expected to act against African National Congress, Atlantis Residents' Association and Congress of South African Trade Unions members after RSC lawyers ordered them to leave.

Police liaison officer Raymond Dowd did not rule out the possibility of action.

Western Cape Peace Committee monitor Sakkie Potgieter said peace monitors were inside the RSC administration building and keeping an eye on the situation.

Residents' association spokesman Carl Cloete said RSC buildings in Westfleur, Avondale and Saxon Sea were occupied because "we want rent, water and electricity arrears to be scrapped"
Tariffs for RSC services: No change

SHARON SOROUR
Municipal Reporter

TARIFF levies for services rendered by the Regional Services Council will not increase in terms of the 1993/94 million budget for this financial year. These tariffs affect mainly business.
No change to RSC levies

By PETER DENNEHY

THE Western Cape Regional Services Council’s two levies on businesses would not increase in percentage this year, RSC chairman Mr Piet Loubser said yesterday.

This means businesses will still have to pay R1 per R500 of their turnover, and R1 per R400 of their total remuneration packages as a levy to the RSC

Yesterday’s “transitional” RSC budget would form the basis of the first Metropolitan Council budget, Mr Loubser said.

And an additional R50m has been set aside for allocation in the forthcoming year to local authorities on the basis of recommendations by the priorities committee. These funds are traditionally used for capital projects to upgrade infrastructure such as drainage and sewerage in needy areas.

Yesterday’s total RSC budget amounted to R989.5m — just under last year’s R995m budget. Most income and expenditure is accounted for by agency functions the RSC undertakes for other bodies such as the government or CPA.

Budgeted RSC expenditure for its own activities amounts to R846m. Its own capital budget for 1994/5 — apart from the R50m for upgrading — amounts to R43m.

Of this, R15m is to be spent on stormwater drainage and canalisation in Kuils River, R1.8m on a bus and taxi terminus in Khayelitsha, which will serve 60,000 people, another one in Nyanga costing R6.4m, which will serve 50,000 commuters daily, and R3.5m on resorts and beaches including Monwabisi.

Operating expenditure on functions which have been entrusted to the RSC, such as cemeteries, resorts and stormwater drainage, declines by nearly 4% to R88m.

Levy income amounts to R252m, of which R200m comes from the “establishment” or turnover levy.

Costs of collecting it will be R4.2m, or 1.7% of expected income.

The cent-a-litre fuel levy that the RSC gets from the government is expected to bring in over R13m in the forthcoming year. This, rather than levy income, will be used to pay bus passenger transport subsidies.

Mr Loubser thanked all the business contributors to the levies. He said he could not help wondering “with all this rain”, what the Cape Flats would have looked like had the RSC not spent millions over the years for the improvement of stormwater drainage.

Mr N M Isaacs of Matroosfontein said the RSC’s concept of assuring the disadvantaged areas had “definitely made an indelible mark on our community”.

“From all our areas, we want to express our sincere gratitude,” he said.
W Cape RSC in dispute over future status

Municipal Reporter

THE Western Cape Regional Services Council was fighting for its political life at a meeting of local government negotiators as a row broke out over its future once a transitional metropolitan council is in place.

At a plenary session of the Cape metropolitan negotiating forum last night, RSC negotiator Louwtyie Rothman said agreement could not be reached by statutory caucus members on the position of the RSC in the run-up to local government elections.

The parties could not agree on proposals in a draft document and sent it back to the forum’s steering committee for reworking.

Cape Town city council negotiator John Muir said one suggestion was that the RSC continue as an “arm” of the TMC — “a small, tight body of about 50 people with administration tasks”. But consensus was not reached.

When the TMC is established, the RSC will effectively cease to exist as a political body with the following implications:

- political control of the RSC will disappear;
- the RSC will no longer be a legal employer and
- RSC funding and all assets and liabilities will revert to the TMC.

“We are not in the same position as other municipalities and local authorities — when the RSC is replaced by the TMC, all other local authorities will stay intact.”

Mr Rothman said the RSC had a right to ask that its staff be treated “in a fair and equal way”.

However, ANC negotiator Hanief Tseker said people felt the RSC had not rendered an adequate service, and it was an illegitimate structure.

“We can’t deny the RSC/falc treatment, we can’t go against its workers, but we cannot allow the RSC to become the TMC. The RSC must not speak for the workers, but for politicians: they must not use the workers as scapegoats for their own interests.”
West Cape RSC gets a reprieve

By PETER DENNEHY and YAZEEF FAKIER

THE Western Cape Regional Services Council survived a death-blow to its continued existence last night when a decision on its dissolution was postponed at a crucial Metropolitan Negotiating Forum meeting.

The RSC is faced with the prospect of dissolution when a new Transitiona1 Metropolitan Council (TMC) for the whole of Greater Cape Town is established later this year.

A proposal yesterday that RSC levies, its assets and liabilities revert to the TMC — effectively emasculating the RSC — was referred back to the forum's steering committee for further discussion. (The forum was established to negotiate a non-racial dispensation for local government.)

City Council delegate Mr John Muir said the RSC should not be given any more protection than any other local authority.

It had been suggested that if the RSC were dissolved, 40 to 50 RSC staff would be appointed on contract to the TMC "doing administrative tasks in the beginning, like taking and delivering minutes."

Others would have to be absorbed by local authorities.

ANC delegate Mr Hanief Taseker said the RSC now fighting for its life was the same one whose structures "we rejected from the start."

Staff must be dealt with fairly, he conceded, "but we can't allow the RSC to become the TMC. The TMC, once elected, must have the right to appoint people to senior posts."

Restructuring would occur, whether people liked it or not, with the RSC, the City Council and others, Mr Taseker said. Some people would have to change jobs.

But RSC deputy chairman Mr Louwmanh Rothman asked whether would leave a job for a two-year contract. "What kind of applications can you expect?" he asked.

Mr Rothman said the RSC had spent R700 million in underprivileged areas in the seven years of its existence, so its staff must be treated fairly.
3 RSCs' accounts criticised

The accounts of three Western Cape Regional Services Councils (RSCs) were criticised yesterday by auditor-general Mr Henri Kluiver.

He said both the West Coast and the Breede River RSCs incurred unauthorised expenditure, and in the case of the Western Cape RSC R25.7 million in trade creditors could not be verified and a discrepancy in sundry debtors of R12.6 million had not been cleared up.

However, Mr. Kluiver said that for all three RSCs the audit procedures were "appropriate in the circumstances" to present his audit opinion.
RSC writes off R280m loans

Municipal Reporter

THE Western Cape Regional Services Council (RSC) decided yesterday to write off R280 million in loans it granted to local authorities by converting them to grants.

Some of the authorities to benefit from the write-offs are Cape Town (R47m, much of it for pavements, roads and street lights), Macassar (R8m), Hout Bay (R11 for sewage works), Mamre (R8m), Linglethu West (R29m) and Crossroads (R15m).

The RSC said that by writing off the loans it and those who paid its levies were contributing to the creation of viable new local authorities.

Due to be dissolved, probably later this year, the RSC will be replaced by a Transitional Metropolitan Council.

New local authorities will have to accept responsibility for the loan debt of any areas in their boundaries.

According to a report before the RSC yesterday, it has an accumulated revenue surplus of about R400m, so "sufficient funds are available for the conversion of loans to grants."
'Strict control' for RSC cars

Municipal Reporter

STRicter control is to be instituted in the allocation of petrol and use of cars belonging to the Western Cape Regional Services Council’s fire department following allegations that these were being abused.

"Certain shortcomings within the department’s management structures have been highlighted and these will be addressed," said Dr C J van Tonder, RSC chief director of administrative services.

A recent investigation into fraud and corruption found such claims to be groundless.
Council retrenchment deal must be probed, says ANC

THE ANC in Pretoria has called for an independent commission of inquiry into the retrenchment packages offered to some members of the former regional service council (RSC). Spokesman Peter Mahulwe claimed yesterday that last November the former RSC offered lucrative retrenchment packages to staff members who did not want to work for the transitional metropolitan council (TMC) when it took over.

"It is our view that this was done to undermine the functioning of the TMC, as the decision was taken just prior to the proclamation of the TMC. "As the RSC was a member of the statutory delegation which negotiated the agreement establishing the TMC, such a decision can be seen to be in bad faith, as the negotiators were never informed of this move," Mahulwe said.

In fact this resolution contradicts the agreement, which was that all RSC staff would be employed by the newly formed TMC and that their jobs were guaranteed.

ANC investigations disclosed that R3m was budgeted for the retrenchment packages under the budget item of separation benefits, he said.

According to figures in the possession of the ANC, one individual package amounted to more than R500 000 while others were more than R100 000.

"In the interests of accountability and transparency, the ANC is calling for an independent commission of inquiry," he said.

"We are also calling for the residents of the greater Pretoria area to support this move towards eradicating corruption." The Johannesburg Transitional Metropolitan Council refused to comment when asked about the packages yesterday.

'Doctors support a national health insurance scheme'

A RECENT survey of doctors has found considerable support for a national health insurance scheme.

The most common reason given by the doctors for a national health insurance scheme was that it would lead to a more equitable form of health care delivery, said Marc Blecher of UCT's health economics unit, who conducted the survey among general practitioners in the Western Cape.

Blecher emphasised that all three options put forward so far by the Health Ministry's finance committee were varying forms of national health insurance.

Their approval depended on details of the various schemes, such as payment mechanisms, workload and income.

Doctors' acceptance was crucial in the light of the fact that powerful lobby groups could affect the workability of the final plan, said Blecher.

In his study, Blecher found the most important consideration for doctors was that they should retain professional autonomy, for example in their choice of medication and investigations.

Nearly all doctors believed additional, private "top-up" insurance should remain available to those who wished to use it.

Meanwhile, the National Progressive Primary Health Care Network said yesterday the question of setting up a national health fund was the single most important issue on which the entire health system rested.

"It is important that we get this right," said network director Jody Portman.

She said it was crucial that people should be empowered with the skills to enable them to participate in debates on the proposed new health fund.

The network supported the ANC health plan, released before the elections, and any proposal for a national health insurance scheme would be evaluated against the policy put forward in the ANC blueprint.
RSC imperfect but did much good

THE Western Cape Regional Services Council (RSC), which has allocated R76 million to upgrading projects in the 7½ years since it was formed, is due to pass away at the end of this year.

Its chairman, Mr Piet Loubser, will stay on to preside over the small part of it that remains. Just the section that falls outside the boundaries of the Cape Town metropolitan area.

The death may be postponed slightly. The RSC has indicated that unless its interpretation of the draft Negotiating-Forum agreement prevails, its senior officials accordingly get the top jobs in the Metropolitan Council, it will declare a dispute with the forum.

Whatever the outcome of this, the RSC is due to die in the short-term future, so now is an appropriate time to look back at its achievements.

That is a major task. The body that was born in controversy and which was never liked by people and politicians of the left, has put in services on the ground in the poorest areas in projects far too numerous to list here.

The total number of projects it has undertaken is 742, according to the RSC public relations consultant Ms Marie-Cloë Gouyon. Anyone who drives around in Cape Town's poorest areas will soon come across something the RSC has built.

It is not only in RSC-administered areas that these projects — water reticulation, stormwater drainage and retention dams, roads, paving, street lighting, refuse depots, taxi ranks and others — are to be found.

Hundreds have been passed on to authorities such as Cape Town City Council and the other 28 town and city councils, which, together with 28 management committees and 13 other local bodies, sit on the RSC.

The RSC has been able to put in all this infrastructure in the poorest areas only because it imposed turnover and payroll taxes on businesses.

This is hardly the sort of thing that left-inclined politicians would complain about. Indeed, the redistributive levies are being retained, and will be imposed instead by the Transitional Metropolitan Council (TMC).

Reasons for the RSC's apparent lack of respectability on the left of the political spectrum include that it is, made up of racially-exclusive local authority bodies, and is seen as a stop-gap body which alleviates the worst effects of an unfair dispensation without addressing the root of the problem.

Boundaries have been drawn in such a way that white municipalities have the lion's share of commercial and industrial areas, which contribute massively towards local authority finances.

Meanwhile, black local authorities and coloured management committee areas are financially negligible. The RSC was thus formed with the aim of improving poor areas. Within its parameters, it did this successfully.

We are lucky that the opposition to the RSC was never so vehement as to destroy its projects. They will remain in place for many years — living memorials, perhaps, to an imperfect body which nonetheless did plenty of good.

The TMC will set out to achieve even more, but that will not be easy.
levies for the RSC, the council accepted that of Lex Terra and Optima Bestuurs-
dienste, a tracing firm Lex Terra later changed its name to Senwits.

Documents at the Registrar of Companies show that Lex Terra was originally regis-
tered as Landpro on October 21 1983 "to deal in the property industry'.'

Its sole director at the time was Ignatus Alfred (Alfie) Kok, an attorney. On
September 29 1993 Lex Terra changed its
name to Senwits and Kok was joined by
Willem Petrus (Pierre) Hendrikse, also an
attorney, as director.

While the FM was unable to obtain any
documents pertaining to Optima Bestuurs-
dienste at the Registrar's office, Botha says
the directors of that company were Fred-
erick Steyn and Andre Muller, both of
whom had previously been involved with
RSCs. But he says it is not known what
happened to that company since its contract
with the Central Wits RSC expired on
February 11 1994, leaving Senwits as its
sole levy collector.

Kok and Hendrikse, partners in a law
firm of the same name, were in November
1989 appointed by the RSC as its attorneys
According to Botha, between then and
March 1995 the firm had issued 32 885
summonses on behalf of the RSC and
according to audited statements had billed
the council for R2.4m in legal fees.

Botha says that since their appointment
the two companies have been paid R3m for
the collection of levies.

"The inspectors are not collectors of
levies in the true sense of the word," says
Botha. "They do not have a specific number
of businesses from which they collect.
Their major task is to trace levypayers who
are not yet registered to pay, and also to
assist (in seeing) that registered levypayers
are paying the correct amount.

The inspectors are also responsible,
among other duties, for the collection of
arrears levies, interest and VAT from levypayers and those who have not been
summonsed by the council.

In terms of the agreement the inspectors
are compensated for the first levy payments
only, says Botha. This is calculated as 20%
on collections up to R150 000, thereafter
15% on amounts up to R500 000 and 10%
on levies over R500 000.

Botha says the RSC was advised by
Senwits that two of its employees, Schalk
Coetzen and Arnie Coetze (no relation)
were involved in a Supreme Court action
Both Coetzees face charges relating to an
alleged R32m fraud and forex contra-
nventions. The two are represented by Kok & Hendrikse, who have briefed two ad-
vocates in the trial which has been heard
since 1992 in the Rand Supreme Court. The
case will proceed in January 1996.

Botha says the RSC retains the right to
set criteria for the inspectors, whose
appointments are subject to council
approval. The Coetzees, however, are not
listed nor do they act as inspectors.