Publication: Witness - Main

Title: KZN PUBLIC WORKS STEPS UP PROPERTY DISPOSALS AS R1,9 BLN RATES BILL BITES

Publish date: 23 Jul 2026

Page: 2

Reach: 6180

AVE:R 10682.10

Author: CLIVE NDOU

KZN PUBLIC WORKS STEPS UP PROPERTY DISPOSALS AS R1,9 BLN RATES BILL BITES

CLIVE NDOU

The KwaZulu-Natal Department of Public Works and Infrastructure is set to accelerate the disposal of state-owned properties as it battles an annual municipal rates bill of almost R2 billion, a figure that far exceeds the department's annual rates budget.

According to the department, the disposal of surplus government properties is a key pillar of its efforts to rein in escalating costs while ensuring more resources are directed towards service delivery.

The department faces a R1,9 billion annual rates bill for properties spread across 54 municipalities, despite having a rates budget of only about R800 million.

"This is an amount that was allowed to run out of control for several decades in the past. Therefore, the department looked at possible interventions and solutions," the provincial department said.

Among the measures already implemented is the disposal of an initial batch of 81 properties and land parcels. "The department has a disposal target of 10 hectares, which includes two structures and one vacant land parcel," it said.

In addition, 11 land parcels have been earmarked for allocation to municipalities, while another 10 will be transferred to non-profit organisations and the private sector for socio-economic development projects.

KwaZulu-Natal Public Works and Infrastructure MEC Martin Meyer. **PHOTO: DEPT OF PUBLIC WORKS**

Five unused government buildings have also been identified for disposal, the department said.

The department said it was working with the KwaZulu-Natal Treasury on a mechanism that would allow a portion of the proceeds from the sale of surplus state assets to be ring-fenced to settle municipal rates. Where municipalities acquire government-owned properties, the department said the proceeds will go towards settling the rates bill.

"KZN Public Works and Infrastructure is looking at having the direct value of an asset sold to municipalities go toward writing off that exact amount owed in rates," the department said.

The department is engaging the South African Local Government Association (Salga) to facilitate discussions with municipalities on repayment arrangements, while also lobbying for schools — which account for about R320 million of the department's annual rates bill — to be cushioned against the financial impact of municipal rates. "KZN Public Works and Infrastructure is pushing to have schools exempt from paying rates because no government should be taking money away from schools, which are places of learning," the department said.

The property disposal programme forms part of a broader turnaround strategy unveiled by KwaZulu-Natal Public Works and Infrastructure MEC Martin Meyer, which also includes reducing outsourcing costs, digitising departmental operations and strengthening infrastructure delivery across the province.