

City of Johannesburg Council 2023-03-22/23

COJ : MAYORAL COMMITTEE 2023-03-17

**ENVIRONMENT, INFRASTRUCTURE AND SERVICES**

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**114 REQUEST FOR COUNCIL APPROVAL TO SET  
TARIFFS OF CHARGES FOR PROVISION OF AIR  
QUALITY MANAGEMENT SERVICES IN TERMS  
OF THE CITY OF JOHANNESBURG AIR  
POLLUTION CONTROL BY-LAWS 2021**

**1 STRATEGIC THRUSTS**

Good Governance.  
Financial Sustainability.  
Sustainable Delivery.

**2 OBJECTIVE**

The object of the report is to request council to authorise

- (1) That, in terms of Section 11(3)(i) and 75A (1) of the Local Government: Municipal Systems Act 2000, (Act 32 of 2000) as amended, read with Section 16 (2) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) , the City of Johannesburg declares its intention to impose with effect from the 2022/2023 Financial year Tariff of Charges for Air Quality Management services in terms of the Air Pollution Control By-laws 2021.
- (2) That, in terms of Sections 17(3) (a) (ii) and 22(a) of the Local Government: Municipal Finance Management Act ,2003 (Act 56 of 2003) and Sections 21, 21A(1) and 2 of the Local Government: Municipal Systems Act,2000 (Act 32 of 2000) as amended, the City of Johannesburg:
  - (a) Displays the notice and the documents and notice in the manner prescribed.
  - (b) Seeks to convey to the local community by means of the radio broadcasts covering the area of the City, the information contemplated in Section 21A(c) of the Local Government: Municipal Systems Act,2000 (Act 32 of 2000) as amended: and
  - (c) Publishes a notice in the manner prescribed and invites the local community to submit written comments or representations in respect of the City's declared intention to amend or determine Tariffs of Charges.
- (3) That in terms of Section 22(b) of the Local Government: Municipal Finance Management Act ,2003(Act 56 of 2003) a copy of the notice and documents be sent forthwith to the National and Provincial Treasury; MEC for local government; as well as any organ of state or municipality affected by the budget to solicit their views.

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- (4) That the Chief Financial Officer in conjunction with Group: Legal and Contracts, in consultation with the Council's relevant Departments and all interested parties, report on the comments received in terms of paragraph 11.2 above with recommendations on the final draft of the Tariffs of Charges for approval.
- (5) That the report be submitted to the relevant Section 79 Committee for comment.

### **3 SUMMARY**

Air pollution has emerged as one of the world's leading health risks, and the single most lethal environmental health risk. It is especially severe in the world's fastest-growing urban regions, such as in the City of Johannesburg, where the combination of more people, more vehicles, and increased use of energy derived from dirty fuels (including residential combustion of solid biomass), mining, improper management of waste, and other factors have increased human exposure to both indoor and outdoor air pollution.

In order to deal with the impact of air pollution, the city published the revised Air Pollution Control By-laws 2021 which identified the number of activities which are listed in Schedule 1 of the by-laws which are considered to have potential to result in air pollution which may impact the health and well-being of the citizenry. Schedule of permitted activities is attached as Annexure B

The operation of the identified activities will require a permit obtainable from the Environment Infrastructure Services Department Air Quality Management Unit. The Air Quality Officer in the department has been delegated the authority to issue the permit in terms of the by-laws. In this regard the issuing of the permit is subject to an application in a prescribed form and payment of applicable fees.

### **4 THE PROPOSED TARRIF CHARGES**

The following Tariffs of Charges are proposed for consideration by council as a cost recovery mechanism for the services rendered by the department in the processing and management of the Air Pollution Control By-laws permit for schedule 1 activities. The proposed Tariff of Charges will be revised as and when necessary to make provision for changes in legislation and to prevent a situation where council is subsidising the regulated community unnecessary and to ensure a uniform City-Wide Tariffs of Charges structure for the City of Johannesburg.

#### **(1) Process**

Consideration was given to the following aspects when the Tariffs of Charges were decided upon.

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- (a) Users and consumers of Municipal Services should be treated equitably in application of the Tariffs of Charges.
- (b) The amount that individual users or consumers pay for services should generally be proportion to the use of that service.
- (c) Tariffs of Charges must reflect the costs reasonably associated with rendering the services, and
- (d) Tariff of Charges must be set at levels that facilitate the financial sustainability of the service.

### (2) Schedule of proposed Tariffs of Charges

The table below details the proposed Tariffs of Charges for rendering Air Quality Management Services in terms of the Air Pollution Control By-laws for City of Johannesburg.

Service	Applicable legislation	Present Tariffs of Charges (R)	Proposed Tariffs of Charges (R)
Application fee for Permit for scheduled activity	Air Pollution Control By-laws 2021	-	970.00
Application fee for changing of permit activities	Air Pollution Control By-laws 2021	-	485.00
Renewal of permit for scheduled activities	Air Pollution Control By-laws 2021	-	485.00

## 5 CONCLUSION

EISD propose the abovementioned application fees as provided in by-laws to recover the cost applicable for processing the applications and for the management of the permits. The department will determine the number of permitted facilities based on the number identified during the 2023/2024 FY. The numbers will in future provide an indication of projected revenue to be generated from the service. The proposed fees have been benchmarked with other fees in the city for similar services to ensure comparability and cost effectiveness.

## 6 POLICY IMPLICATIONS

The report talks to the implementation of the City of Johannesburg Air Pollution Control By- laws 2021.

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### **7 LEGAL AND CONSTITUTIONAL IMPLICATIONS**

The proposed Tariffs of Charges have been finalised in conjunction with Legal and Corporate Department to ensure compliance with all relevant legislation. In terms of section 28(6) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), once the new tariffs have been determined in the respect of the 2023/2024 Financial Year, it may not be further increased during that financial year, except when required in terms of a financial recovery plan as contemplated in the Act.

### **8 FINANCIAL IMPLICATIONS**

The Tariffs and Charges are proposed for the 2023/2024 FY. Once approved by council should be applicable from the start of 2023/2024 FY. The EISD will put in place mechanisms for the collection of funds.

### **9 COMMUNICATIONS IMPLICATIONS**

The advertising of the proposed tariffs to be followed will afford affected parties an opportunity to comment. A supplementary template containing additional information to assist the public is attached as Annexure A.

### **10 OTHER DEPARTMENTS CONSULTED**

- Group Legal and Contracts have been consulted and their comments incorporated the body of the report.
- Budget office

## **IT IS RECOMMENDED**

- 1 That, in terms of Section 11(3)(i) and 75A (1) of the Local Government: Municipal Systems Act 2000, (Act 32 of 2000) as amended, read with Section 16 (2) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) , the City of Johannesburg declares its intention to impose with effect from the 2023/2024 Financial Year Tariff of Charges for Air Quality Management services in terms of the Air Pollution Control By-laws 2021.**
- 2 That, in terms of Sections 17(3) (a) (ii) and 22(a) of the Local Government: Municipal Finance Management Act ,2003 (Act 56 of 2003) and Sections 21, 21A(1) and 2 of the Local Government: Municipal Systems Act,2000 (Act 32 of 2000) as amended, the City of Johannesburg:**

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- 5 That the Chief Financial Officer in conjunction with Group: Legal and Contracts, in consultation with the Council's relevant Departments and all interested parties, report on the comments received in terms of paragraph 11.2 above with recommendations on the final draft of the Tariffs of Charges for approval.
- 6 That the report be submitted to the relevant Section 79 Committee for comment.

(ENVIRONMENT, INFRASTRUCTURE AND SERVICES)

(Musa Mahlatji)

(Cell. 0814715383)

(sz)

THE NEXT ITEM FOLLOWS THE ANNEXURE TO THIS ITEM

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### **ANNEXURE A**

#### **What are the major benefits to the Communities of Johannesburg?**

The report provides for an application fee that is applicable to businesses that operate activities that are scheduled in terms of the Air Pollution Control By-laws 2021. The By-laws are aimed at controlling air pollution emanating from the scheduled activities through the provision of permits and compliance conditions.

#### **Which Communities will primarily benefit (if relevant state the region, ward, suburb, or socioeconomic group etc.)?**

Citywide

#### **If relevant, when will implementation take start?**

The City should be in a position to implement the fees in the next FY 1 July 2023

#### **If relevant, when will work be completed?**

N/A

#### **What is the total cost of implementation?**

N/A

#### **How will communities be informed of the contents of this report?**

The community will be notified and informed through media and all communication platforms.

#### **How can communities be involved in the implementation of this report?**

Communities are urged to address air quality issues through the mitigation of air pollution and to report polluting activities to the City's designated Air Quality Officer.

#### **Who can be contacted to provide additional information and/or clarity?**

Musa Mahlatji: Air Quality Management on: 011 082 7951 Ext 19089.

#### **What other information can be given to assist Councilors to communicate the contents of this report to communities?**

None.

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**ENVIRONMENT, INFRASTRUCTURE AND SERVICES****ANNEXURE B****SCHEDULE 1: ACTIVITIES IDENTIFIED IN TERMS OF SECTION 8**

1. Precious and non-precious metal	
Description	The production or process of precious and associated base metals through chemical treatment. ( Excluding inorganic chemicals )
Application	Production output from 100 kg to 1000 kg per annum
2. Ceramic production	
Description	The production of tiles, bricks ,refractory bricks, stoneware or porcelain ware by firing, excluding clamp kilns
Application	All installations producing output from 10 to less than 100 metric tonnes per year
3. Fuel combustion installation	
Description	Fuel combustion installation used primarily for steam rising or electricity generation
Application	All installations from 1-less than 10 megawatts thermal input per facility or premises
4. Organic chemical manufacturing	
Description	The production or, use of in production of organic not specified elsewhere including acetylene, acetic ,maleic or phthalic anhydride or their acids,carbon disulphides,pyridine, formaldehyde,acetaldehyde,acrolein and its derivatives , acrolonitrile,amine and synthetic rubber.The production of organometallic compounds, organic dyes and pigment,surface = active agents. The polymerisation or co-polymerisation of any unsaturated hydrocarbon,substitutes hydrocarbon (including vinyl chloride). The manufacture,recovery or purification of acrylic acid or any ester of acrylic acid.The use of toluene di-isocyanate or other di-isocyanate of comparable volatility,or recovery of pyridine
Application	All installations producing or using more than 10 to less than 100 metric tonnes per annum
5. Inorganic chemical manufacturing	
description	Production and or use in manufacturing of ammonia, Fluorine, Fluorine compounds, hydrogen cyanide and chlorine gas(Excluding metallurgical process related activities)
Application	All installations producing or use of 10 to 100 metric tonnes per annum
6. Dry cleaning	

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Description	
Application	Any facility consuming more than 6800 L of perchloroethylene
7. Spray painting	
Description	
Application	Any facility consuming more than 2500 L of materials containing volatile organic compounds per annum
8. Processing of timber or materials derived from timber (The burning or drying of wood and the production of manufactured wood products)	
Description	The burning or drying of wood by an external source of heat, and the manufacture of laminated and compressed wood product
Application	All installations producing less than 10 tons per month
9. Brake pad de-bonding by the application of heat	
Description	Debonding of a brake shoe by applying heat, shot blasting and coating
Application	All installations
10. Processing of fabric off cuts	
Application	Any facility processing fabric off cuts
Description	All installations
11. Sandblasting	
Description	The installation and operation of sandblasting and spray booth
Application	All installation
12. Printing works	
Description	Printing, coating and lamination process using gravure, flexography, rotary screen printing, heat set lithography, varnishing and printing system that incorporate element of these technologies
Application	Installations with organic solvent consumption threshold of less than 25 tonnes per year
13. Production of ready mix cement	
Description	The production of ready mix cement
Application	All installation
14. Storage and handling of ore and coal	



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Description	Storage and handling of ore and coal not situated on the premises of a mine or works
Application	Location designed to hold less than 100 000 tons
15. Animal Matters	
Description	Processes for the rendering cooking,dehydration,digestion,evaporation or protein concentration of an animal matter not intended for human consumption
Applications	All production handling less than 1 ton of raw material per day
16. Crushing stones/rock	
Description	The production of building materials e.g sands,gravel
Application	All installations

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### **ANNEXURE C : SCHEDULE OF PROPOSED TARIFFS OF CHARGES 2023/2024 FY**

The table below details the proposed Tariffs of Charges for rendering Air Quality Management Services in terms of the City of Johannesburg Air Pollution Control By-laws 2021.

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