

KOPANONG LOCAL MUNICIPALITY



CREDIT CONTROL AND DEBT COLLECTION POLICY

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DOCUMENT CONTROL

Date:

Summary: This document describes the Principles and Policy on Credit Control and Debt Collection that will be acceptable to Kopanong Local Municipality, with effect from 01 July 2013.

Municipal Manager

Mayor

Date:

Date:.....



KOPANONG LOCAL MUNICIPALITY
PRINCIPLES AND POLICY ON CREDIT CONTROL AND DEBT COLLECTION

1. PREAMBLE

Whereas section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*'the Constitution'*) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

And whereas section 4 (1) (c) of the Local Government: Municipal Systems Act 32 of 2000, as amended (*'the Systems Act'*) provides that the Council of a Municipality has the right to finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

And whereas section 5 (1) (g), read with subsection (2) (b) of the Systems Act provides that members of the local community have the right to have access to municipal services which the Municipality provides provided that, where applicable and subject to the policy for indigent customers, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the Municipality;

And whereas Chapter 9, sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority, respectively.

Now therefore the Municipal Council of Kopanong Local Municipality adopts the following policy regarding Customer Care, Credit Control and Debt Collection.

1.1) Scope Of The Policy

- a) This Policy applies to all administrations within the defined boundaries of the Kopanong Municipality and all customers of these administrations.
- b) The Credit Control and Debt Collection policy, as approved by Council, has been enshrined in a Municipal policy in terms of the Systems Act and such Policy will be binding on the public, officials and Councilors of the Municipality of Kopanong and no interference in the process will be permitted.
- c) The Policy is applicable until such time as it is reviewed and any revisions to the Policy approved by Council.
- d) All acts performed in terms of the above approved Policy, will not be invalidated due to the timing differences between approval and promulgation.



- e) All acts performed as mentioned in the previous paragraph will be ratified with the promulgation of the Municipal Policy.

1.2) Objective Of The Policy

The objective of this policy is to:-

- a) Focus on all outstanding debt as raised on the customer's account.
- b) Provide for a uniform credit control, debt collection and indigent Policy throughout Kopanong Local Municipality.
- c) Facilitate implementation of this Policy throughout the Kopanong Local Municipality.
- d) Promote a culture of good payment habits amongst Kopanong Local Municipality customers and instill a sense of responsibility towards the payment of municipal accounts and reduction of municipal debt.
- e) To ensure that the Council of Kopanong Local Municipality uses innovative, cost effective, efficient and appropriate methods to collect as much of the debt in the shortest possible time without any interference in the process.
- f) To ensure that Kopanong Local Municipality effectively and efficiently deal with defaulters in accordance with the terms and conditions of this Policy.

2. DEFINITIONS

In this policy any word or expression to which a meaning has been assigned in the Local Government: Municipal Systems Act has that meaning, unless the context indicates otherwise-

“Accommodation” means accommodation in an accommodation establishment, a room, dwelling-house or second dwelling unit, self-catering room, self-catering apartment or free standing building let to transient guests.

“Accommodation Establishments” – consists of one or more of the following lettable types of accommodation –

- (a) **“Camping”** (informal temporary accommodation in a unique environment) is defined by a property used for erection of tents or other temporary structures for temporary accommodation for visitors or holiday-makers, which includes ablution, cooking and other facilities that are reasonably and ordinarily related to camping , for use of such visitors, and includes a caravan park, whether publicly or privately owned, but which excludes the alienation of land on the basis of time sharing, sectional title share blocks or individual subdivision; and excludes resort accommodation or mobile homes;



- (b) “Bed and Breakfast” (accommodation in a dwelling-house or second dwelling unit for transient guests) is defined by a dwelling-house or second dwelling in which the owner of the dwelling supplies lodging and meals for compensation to transient guests who have permanent residence elsewhere; provided that the primary use of the dwelling-house concerned shall remain for the living accommodation of a single family;
- (c) “Guest House” (accommodation in a dwelling-house or second dwelling unit for transient guests) is defined by a dwelling-house or second dwelling which is used for the purpose of supplying lodging and meals to transient guests for compensation, in an establishment which exceeds the restrictions of a bed and breakfast establishment and may include business meetings or training sessions for resident guests;
- (d) “Self-catering Accommodation” (accommodation for non-permanent residents and transient guests) is defined by a house, cottage, chalet, bungalow, flat, studio, apartment, villa, or similar accommodation where facilities and equipment are provided for guests to cater for themselves. The facilities should be adequate to cater for the maximum advertised number of residents the facility can accommodate;
- (e) “Self-catering Apartments” (accommodation for non-permanent residents and transient guests) is defined by a building or group of buildings consisting of separate accommodation units, each incorporating a kitchen /-ette facility, and which may include other communal facilities for the use of transient guests, together with outbuildings as are normally used therewith; which are rented for residential purposes and may include holiday flats; but does not include a hotel, dwelling-house, second dwelling or group house;
- (f) “Backpackers Accommodation” (accommodation and communal facilities in a building or free standing buildings for transient guests) is defined by a building where lodging is provided, and may incorporate cooking dining and communal facilities for the use of lodgers, together with such outbuildings as are normally used therewith and includes a building in which dormitories/rooms/beds are rented for residential purposes, youth hostel, and backpackers’ lodge; but does not include a hotel, dwelling house, second dwelling or group house;
- (g) “Boarding House” a dwelling–house or second dwelling which is used for the purpose of supplying lodging with or without meals or self- catering to non-permanent/permanent residents for compensation; provided that the primary use of the dwelling-house shall remain for the living accommodation of a single family;



"Account" means an account rendered specifying charges for municipal services provided by the Municipality, or any authorised and contracted service provider, and which account may include assessment rates levies.

"Accounting Officer" means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act.

"Annual Budget" shall mean the budget approved by the municipal council for any particular financial year, and shall include any adjustments to such budget.

"Annually" – means once every financial year;

"Arrangement" means a written agreement entered into between the Municipality and the customer where specific repayment parameters are agreed to. Such arrangement does not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act but is deemed to be Incidental Credit as envisaged in terms of section 4(6)(b) read with section (2) and (3) of the National Credit Act.

"Arrears" means those rates and service charges that have not been paid by the due date and for which no arrangement has been made.

"Authorised Representative" means a person or instance legally appointed by the Municipality to act or to fulfil a duty on its behalf.

"Basic municipal services" shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment.

"Billing Date" means the date upon which the monthly statement is generated and debited to the customer's account.

"Business and Commercial Property" means -

(a) property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity; or

(b) property on which the administration of the business of private or public entities take place.

"By-law" shall mean legislation passed by the council of the Municipality, and which shall be binding on the Municipality and on the persons and institutions to which it applies.

"Calendar year" shall mean 12 consecutive months of a financial year(s).

“Category” –

(a) in relation to a property, means a category of properties determined in terms of section 8(2) of the Municipal Property Rates Act;

(b) in relation to the owners of property, means a category of owners determined in terms of section 15(2) of the Municipal Property Rates Act.

"Chief Financial Officer" means the person appointed as the Chief Financial Officer of the Municipality, or his or her nominee.

"Consumer Price Index" shall mean the CPIX as determined and gazetted from time to time by the South African Bureau of Statistics.

"Consolidated Account" means an account which is a consolidation of any separate accounts of a person who is liable for payment to the Municipality.

"Council" means the Council of the Kopanong Local Municipality.

"Councillor" shall mean a member of the Council of the Municipality.

"Credit Control" means all the functions relating to the collection of monies owed by ratepayers and the users of municipal services.

"Customer" means the occupier of any premises to which the Municipality has agreed to supply or is actually supplying municipal services, or if no occupier can be identified or located, then the owner of the premises and includes any customer of the Municipality.

"Day/Days" means calendar days, inclusive of Saturdays, Sundays and public holidays.

"Debt Collectors" means an external person or entity appointed by the Municipality to collect monies due and payable to the Municipality, subject to the conditions contained herein.

"Defaulter" means any person who owes arrears to the Municipality.

"Delivery Date" shall mean the date on which the periodic account is delivered to the customer or 3 days after the date the account was posted, whichever is the first.

"Domestic Customer or User" of municipal services shall mean the person or household which municipal services are rendered in respect of “residential property” as defined below.

"Due Date" in relation to -

(a) rates due in respect of any immovable property, means:-

- i. the thirtieth (30th) day of June of the financial year for which such rate is made, in the case where rates are levied on an annual basis;



- ii. the date for payment indicated on the account, in the case where rates are levied on a monthly basis; or

(b) service charges due in respect of any immovable property, means the date for payment indicated on the account, provided that the due date for any service charges means the twentieth (30th) day of June in the case where service charges are levied annually; and

(c) should such day fall on a Saturday, Sunday or public holiday the due date shall be the next working day.

“Dwelling” means a building, structure or place of shelter to live in.

“Electricity Charges” means service charges in respect of the provision of electricity.

“Farm Property or Small Holding used for agricultural purpose” – means property that is used for the cultivation of soils for purposes of planting and gathering in of crops; forestry in the context of the planting or growing of trees in a managed and structured fashion; the rearing of livestock and game or the propagation and harvesting of fish, but excludes the use of a property for the purpose of eco-tourism; and in the respect of property on which game is reared, trade or hunted, it excludes any portion that is used for commercial or business purposes.

“Farm Property or Small Holding not used for any purpose” – means agricultural property or an agricultural zoned land unit situated outside an urban region which is not used for farming purposes, regardless of whether such portion of such property has a dwelling on it which is used as a dwelling and must be regarded as residential property.

“Financial Year” shall mean the period starting from 1 July in any year and ending on 30 June of the following year.

“Immovable Property” also includes -

(a) an undivided share in immovable property, and

(b) any right in immovable property.

“Implementing Authority” means the Municipal Manager or his or her nominee, acting in terms of section 100 of the Local Government: Municipal Systems Act No. 32 of 2000.

“Indigent Customer” means the head of an indigent household:-

(a) who applied for and has been declared indigent in terms of Council's Indigent Support Policy for the provision of services from the Municipality; and

(b) who makes application for indigent support in terms of Council's Indigent Support Policy on behalf of all members of his or her household;



"Indigent Support Policy" means the Indigent Support Policy adopted by the Council of the Municipality.

"Indigent Support Programme" means a structured program for the provision of indigent support subsidies to qualifying indigent customers in terms of the Council's Indigent Support Policy.

"Integrated Development Plan" shall mean a plan formulated and approved as envisaged in Section 25 of the Municipal Systems Act 2000, as amended.

"Industrial Property" – means property used for construction, repair, trade or manufacturing, production, assembly or processing of finished or partially finished products from raw materials or fabricated parts on such a large scale that capital and labour are significantly involved, and includes any office or other accommodation on the same property, the use of which is incidental to such activity;

"Interest" means the charge levied on arrears, calculated as the prime rate, charged by the bank which holds the Municipality's primary bank account, plus one percent or such other percentage as may be determined by Council from time to time.

"Local Community" – in relation to the Municipality –

(a) means that body of persons comprising –

- i. the residents of the Municipality;
- ii. the rate payers of the Municipality;
- iii. any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the Municipality; and
- iv. visitors and other people residing outside the Municipality, who, because of their presence in the Municipality, make use of services or facilities provided by the Municipality; and

(b) includes, more specifically, the poor and other deprived sections of such body of persons;

"Manager Income" Means the Senior Official in a division of the Municipality's Finance Department, overall responsible for the collection of monies owed to the Municipality and/or any other official to whom he/she has delegated duties and responsibilities in terms of this policy.

"Market Value" – in relation to a property, means the value of the property determined in accordance with section 46 of the Municipal Property Rates Act;

"Month" means one of twelve months of a calendar year.



"Monthly Average Consumption" means the monthly average consumption in respect of that property calculated on the basis of consumption over the preceding or succeeding twelve months.

"Multiple purposes" – in relation to a property, means the use of a property for more than one purpose as intended in section 9 of the Municipal Property Rates Act.

"Municipality" or **"Municipal Area"** shall, where appropriate, mean the geographic area, determined in terms of the Local Government: Municipal Demarcation Act No. 27 of 1998 as the municipal area pertaining to the Municipality.

"the Municipality" means Kopanong Local Municipality.

"Municipal Council" or **"Council"** shall mean the municipal council of Kopanong Local Municipality as referred to in Section 157(1) of the Constitution.

"Municipal Pay Point" means any municipal office in the area of jurisdiction of the Municipality designated by Council for such purposes, or any such other places as the Chief Financial Officer may from time to time designate.

"Municipal Manager" means the Municipal Manager of the Kopanong Local Municipality or his or her nominee acting in terms of power delegated to him or her by the said Municipal Manager with the concurrence of the Council.

"Municipal Services" means services provided either by the Municipality, or by an external agent on behalf of the Municipality in terms of a service delivery agreement.

"Municipal Tariff" shall mean a tariff for services which the Municipality may set for the provision of a service to the local community, and may include a surcharge on such service. Tariffs for major services shall mean tariffs set for the supply and consumption or usage of electricity, water, sewerage and refuse removal, and minor tariffs shall mean all other tariffs, charges, fees, rentals or fines levied or imposed by the Municipality in respect of other services supplied including services incidental to the provision of the major services.

"Occupier" means any person who occupies, controls or resides on any premises, or any part of any premises without regard to the title under which he or she so occupies it.

"Open Space" - means land that is used as a park, garden, for passive leisure or maintained in its natural state.

"Owner" in relation to immovable property means -

- (a) the person in whom is vested the legal title thereto provided that:-
 - (i) the lessee of immovable property which is leased for a period of not less than thirty years, whether the lease is registered or not, shall be deemed to be the owner thereof;



- (ii) the occupier of immovable property occupied under a service servitude or right analogous thereto, shall be deemed to be the owner thereof;
- (b) if the owner is dead or insolvent or has assigned his or her estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, shall be deemed to be the owner thereof;
- (c) if the owner is absent from the Republic or if his address is unknown to the Municipality, any person who as agent or otherwise receives or is entitled to receive the rent in respect of such property, or if the Municipality is unable to determine who such person is, the person who is entitled to the beneficial use of such property.

"Person" means a natural and juristic person, including any department of state, statutory bodies or foreign embassies.

"Premises" includes any piece of land, the external surface boundaries of which are delineated on:

- (a) A general plan or diagram registered in terms of the Land Survey Act, (9 of 1927) in terms of the Deed Registry Act, 47 of 1937; or
- (b) A sectional plan registered in terms of the Sectional Titles Act, 95 of 1986, and which is situated within the area of jurisdiction of the Municipality.

"Prescribed" means prescribed by this policy and where applicable by Council or the Municipal Manager.

"Prescribed debt" means debt that becomes extinguished by prescription in terms of the Prescription Act 68 of 1969.

"Private Open Space" means land that is privately owned and used for practising of sport, play- or leisure facilities or used as a botanical garden, cemetery or nature area.

"Privately Owned Townships Serviced by the Owner" – means single properties, situated in an area not ordinarily being serviced by the Municipality, divided through subdivision or township establishment in (ten or more) full-title stands and/or sectional units and where all rates-related services inclusive of installation and maintenance of streets, roads, sidewalks, lighting, storm water drainage facilities, parks and recreation facilities, are installed at the full cost of the developer and are rendered and maintained by the residents, Home owners association or management companies/ bodies of such estate.



“Property” – means immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;

“Rateable Property” shall mean property on which the Municipality may in terms of Section 2 of the Municipal Property Rates Act 2004 levy a rate, but excluding property fully excluded from the levying of rates in terms of Section 17 of that Act.

“Ratepayer” shall mean a person who is liable to the Municipality for the payment of (a) rates on property in the Municipality; (b) any other tax, duty or levy imposed by the Municipality; and/or (c) fees for services provided either by the Municipality or in terms of a service delivery agreement.

"Rates" means a municipal rate on property envisaged in section 229 (1) of the Constitution read with the Local Government: Municipal Property Rates Act 6 of 2004 and the Local Government: Municipal Finance Act 56 of 2003.

“Rebate” in relation to a rate payable on a property, shall mean a discount granted in terms of Section 15 of the Municipal Property Rates Act, 2004 on the amount of the rate payable on the property.

“Reduction” - in respect of a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of that property at that lower amount.

"Refuse Charges" means service charges in respect of the collection and disposal of refuse.

"Registered Owner" means that person, natural or juristic, in whose name the property is registered in terms of the Deeds Registry Act, no. 47 of 1937.

"Responsible Person" means any person other than the registered owner of an immovable property who is legally responsible for the payment of municipal service charges.

“Residential Property” shall mean a property included in the valuation roll in terms of Section 48(2)(b) of the Municipal Property Rates Act, 2004 as residential.

“Residential Property” furthermore means improved property that: -

- (a) is used predominantly (60% or more) for residential purposes, including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property.

Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes, if still used dominantly for residential purposes;



(b) is a unit registered in terms of the Sectional Title Act and is used predominantly for residential purposes;

(c) is owned by a share-block company and is used predominantly for residential purposes;

(d) is a residence used for residential purposes situated on a property used for educational purposes;

(e) is property which is included as residential in a valuation list in terms of section 48(2)(b) of the Act;

(f) are retirement schemes and life right schemes used predominantly (60% or more) for residential purposes;

vacant properties (empty stands), hotels, hostels, old-age homes and accommodation establishments, irrespective of their zoning or intended use, have been specifically excluded from this property category.

"Service Charges" means the fees levied by the Municipality in terms of its tariff policy for any municipal services rendered in respect of an immovable property and includes any penalties, interest or surcharges levied or imposed in terms of this policy.

"Service Delivery Agreement" means an agreement between the Municipality and an institution or persons mentioned in section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.

"Sewerage Charges" means service charges in respect of the provision of sewerage collection and treatment of infrastructure.

"Small Holding" means

(a) all agricultural zoned land units situated within an urban region with an area of one to three hectares; or

(b) any agricultural zoned land unit situated outside an urban region with an area of three hectares or less.

"State Owned Property" excludes any property included in the valuation roll under the category 'residential property' or 'vacant land'.

"Sundry Customer Accounts" means accounts raised for miscellaneous charges for services provided by the Municipality or charges that were raised against a person as a result of an action by a person, and were raised in terms of Council's policies, bylaws and decisions.

"Supervisory Authority" means the Mayor of the Municipality or his or her nominee, acting in terms of Section 99 of the Municipal Systems Act 32 of 2000.



"Tariff" means the scale of rates, taxes, duties, levies or other fees which may be imposed by the Municipality in respect of immovable property and/ or for municipal services provided.

"Tariff Policy" means a Tariff Policy adopted by the Council in terms of Section 74 of the Local Government: Municipal Systems Act 32 of 2000.

"User" means the owner or occupier of a property in respect of which municipal services are being rendered.

"Water Charges" means service charges in respect of the provision of water.

3. PRINCIPLES

(1) The principles of credit management in the Municipality are:-

- (a) The administrative integrity of the Municipality must be maintained at all times.
- (b) This policy must have the full support of Council.
- (c) Councillors must have full knowledge of the implementation and enforcement of the policy.
- (d) Customers must be informed of the contents of this policy.
- (e) Customers must apply for services from the Municipality by the completion of the prescribed application form.
- (f) Customers must receive regular and accurate accounts that indicate the basis for calculating the amounts due. The customer is entitled to have the details of the account explained upon request.
- (g) Customers must pay their accounts regularly by the due date.
- (h) Customers are entitled to reasonable access to pay points and to a variety of reliable payment methods.
- (i) Customers are entitled to an efficient, effective and reasonable response to appeals, and should not suffer any disadvantage during the processing of a reasonable appeal.
- (j) Debt collection action will be instituted promptly, consistently, and effectively without exception and with the intention of proceeding until the debt, including the cost of collection, is recovered.
- (k) It shall be the duty of all customers to ensure that they have the correct information regarding all due amounts.



4. SUPERVISORY AUTHORITY

(1) The Mayor oversees and monitors:-

(a) The implementation and enforcement of the Municipality's credit control and debt collection policy.

(b) The performance of the Municipal Manager in implementing the credit control and debt collection policy.

(2) The Mayor shall at least once a year cause an evaluation or review of the credit control and debt collection policy to be performed, in order to improve the efficiency of the Municipality's credit control and debt collection mechanisms, processes and procedures, as well as the implementation of this policy.

(3) The Mayor shall submit a report to Council regarding the implementation of the credit control and debt collection policy at such intervals as Council may determine.

5. IMPLEMENTING AUTHORITY

(1) The Municipal Manager:-

(a) Implements and enforces the credit control and debt collection policy.

(b) Is accountable to the Mayor for the enforcement of the policy and shall submit a report to the Mayor regarding the implementation and enforcement of the credit control and debt collection policy at such intervals as may be determined by Council.

(c) Must establish effective administration mechanisms, processes and procedures to collect money that is due and payable to the Municipality.

(d) Where necessary make recommendations to the Mayor with the aim of improving the efficiency of the credit control and debt collection mechanisms, processes and procedures.

(e) Establish effective communication between the Municipality and account holders with the aim of keeping account holders abreast of all decisions by Council that may affect account holders.

(f) Establish customer service centres, located in such communities as determined by the Municipal Manager.

(g) Convey to account holders information relating to the costs involved in service provision, and how funds received for the payment of services are utilised, and may where necessary employ the services of local media to convey such information.



(2) The Municipal Manager may, in writing, delegate any of the powers entrusted or delegated to him or her in terms of Council's credit control and debt collection policy to the Chief Financial Officer.

(3) A delegation in terms of subsection (2):-

(a) Is subject to any limitations or conditions that the Municipal Manager may impose;

(b) May authorise the Chief Financial Officer in writing, to sub-delegate duties and responsibilities to the Manager Income.

(c) The delegation does not divest the Municipal Manager of the responsibility concerning the exercise of the delegated power.

(4) The Chief Financial Officer is accountable to the Municipal Manager for the implementation, enforcement and administration of this policy, and the general exercise of his powers in terms of this policy.

(5) The Manager Income shall be accountable to the Chief Financial Officer for the sections of this policy delegated to the Manager Income in terms of the MFMA section 82.

6. UNSATISFACTORY LEVELS OF INDEBTEDNESS

(1) If the level of indebtedness in a particular ward or part of the Municipality exceeds the level of the acceptable norm as determined in the Municipality's budget guidelines, the supervisory authority (Mayor) must, without delay, advise the Councillor for that ward or part.

(2) The Councillor concerned must without delay convene a meeting of the ward committee, if there is one, or convene a public meeting and report the matter to the committee or meeting for discussion and advice; and may make any appropriate recommendations to the supervisory authority.

7. APPLICATION FOR THE PROVISION OF MUNICIPAL SERVICES

(1) A customer who requires the provision of municipal services must apply for the service from the Municipality. The application must be made on the prescribed form.

(2) The application for the provision of municipal services must be made by the registered owner of an immovable property only.

(3) The Municipality will not entertain an application for the provision of municipal services by a tenant of a property, or any other person who is not the owner of the property. The only exception will be:-



(a) Individuals and Businesses with lease agreements to lease properties from the Municipality;

(b) Government Departments;

(c) Body Corporates who take the responsibility for the payment of basic water, basic sewer and refuse removal services on behalf of the individual sectional title owners; and

(4) In case of existing arrangements where tenants have existing accounts, written permission of the owner may be requested from the owner by the Municipality. If the tenant is guilty of non-payment the owner, where permission has been granted, as a last resort is liable for the outstanding debt, except where the property concerned is owned by the Municipality.

In terms of section 102(3) of the Municipal Systems Act the Municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to such a property if the owner requests such accounts in writing from the Municipality.

(5) An agent may with a proxy open an account in the name of the owner.

(6) The application for the provision of municipal services must be made in writing on the prescribed application form that is provided by the Municipality.

(7) By completing the prescribed application form for the provision of municipal services the consumer of services enters into an agreement with the Municipality. Such agreement does not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act (NCA) but shall be incidental credit as envisaged in terms of section 4(6)(b) of the NCA, to which the NCA will only apply to the extent as stipulated in section 5 of the NCA.

(8) The agreement with the Municipality makes provision for the following:-

(a) An undertaking by the occupier that he or she will be liable for collection costs including administration fees, interest, fines, and any other legal costs occasioned by his or her failure to settle accounts by the due date on an attorney/ client basis;

(b) An acknowledgement by the occupier that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account;

(c) That the onus will be on the occupier to ensure that he or she is in possession of an account before the due date; and

(d) An undertaking by the Municipality that it shall do everything in its power to deliver accounts timeously.

(9) The application for the provision of municipal services shall be made at least fourteen (14) days prior to the date on which the services are required to be connected.

(10) On receipt of the application for provision of municipal services, the Municipality will cause the reading of metered services linked to the property to be taken on the working day preceding the date of occupation.

(11) The first account for services will be rendered after the first meter reading cycle to be billed following the date of signing the service agreement.

(12) In case of new buildings being erected and a connection is made for the first time to the main service lines the metering and levying of services actually consumed or received will take place as follow:-

(a) Basic electricity (in the case of builders' connections) and sewer charges are levied with effect from the date when the connection is made to the main service line.

(b) Basic electricity (if no builders' connection) and refuse removal charges are levied with effect from the date of the occupancy.

(c) Any connection date between the 1st and 15th of the month will be levied for a full month whilst any connection date after the 15th of the month will only be levied from the 1st of the following month.

(13) No new account will be opened where there is an outstanding balance on the existing account.

8. DEPOSITS AND GUARANTEES

(1) On application for the provision of municipal services the customer deposit prescribed by Council shall be paid.

(2) No interest will be paid on any deposit held by Council.

(3) For the purposes of registering and allocating the applicable subsidy to qualified indigent customers, accounts will be opened for these customers without requiring any deposit. This is made possible through the fact that the value of services levied against these accounts is fully offset on a monthly basis against the applicable indigent subsidy.



This arrangement will immediately terminate if the status of the indigent customer changes.

(4) Existing customers moving to a new address are required to pay the prescribed customer deposit on application for the provision of municipal services at the new address.

(5) The minimum deposit payable is determined annually by Council and is contained in the tariff book produced annually.

(6) The customer deposit paid on application for the provision of municipal services must be reviewed annually and may be increased or decreased upon written notice to customers. The deposit will be the equivalent of one month's charge for all municipal services supplied, however this may be increased if it is determined that the customer is a credit risk.

(7) On termination of the supply of services the amount of the deposit less any payment due to the Municipality will be refunded to an account holder, provided that payments due are less than the deposit paid, and that the account holder has provided a forwarding address.

(8) If the Chief Financial Officer intends increasing the minimum deposit payable by the owner, then he or she shall, in the aforesaid notice, state full reasons for the increase, and allow the owner an opportunity to make written representations in this regard.

(9) An aggrieved owner may, within a period of twenty one (21) days of having been notified of an increase in the minimum deposit payable, lodge an appeal against the decision of the Chief Financial Officer with the Municipal Manager.

(10) The Municipal Manager shall, in his or her capacity as the appeal authority, consider the appeal, and confirm, vary or revoke the decision of the Chief Financial Officer, within a reasonable period.

9. ACCOUNTS AND BILLING

(1) The Municipality shall provide all customers with a monthly consolidated account for municipal service rendered, which account shall be generated on a monthly basis in cycles of approximately thirty (30) days.

(2) The monthly consolidated account can include property rates charges, in which case they shall comply with section 27 of the Municipal Property Rates Act No. 6 of 2004.

(3) All accounts rendered by the Municipality shall be payable on the due date.



(4) Account balances which remain unpaid after 30 days from the delivery date of the account shall attract interest on arrears, irrespective of the reasons for non-payment. Interest will be charged from the first working day of the month following the month in which the account becomes payable.

(5) All accounts are payable as above regardless of the fact that the customer has not received the account, the onus being on the customer to obtain a copy of the account before the due date.

(6) Accounts will be rendered using conventional postal services, hand delivery at the premises or by means of an email if so requested by the customer.

10. RATES

(1) Rates shall be billed annually and maybe recovered annually or monthly, as determined by the Municipality.

(2) Property rates which are billed and recovered annually shall be billed in terms of the July account of each year.

(3) Property rates may also be billed annually for a specific financial year but recovered in monthly instalments to assist its customers. In the case of the consolidated account of a customer being in arrear during a specific financial year the full amount becomes due and payable with immediate effect.

(4) The tariffs to calculate property rates are determined annually, approved by Council and contained in the tariff book produced by the Municipality.

11. WATER CHARGES

(1) The provisions of this policy, in respect of the supply of water to a customer, shall constitute the payment conditions of the Municipality as water services authority and water services provider, contemplated in sections 4 and 21 of the Water Services Act No. 108 of 1997.

(2) Service charges in respect of water shall be determined in accordance with metered consumption.

(3) Monthly accounts shall be rendered for water consumption and the customer shall effect payment thereof by the due date.

(4) The tariffs to calculate the water charges are determined annually, approved by Council and contained in the tariff book produced by the Municipality.

12. REFUSE AND SEWER CHARGES

(1) Refuse and Sewer charges are billed monthly.



(2) Refuse and Sewer charges charged monthly are billed on the monthly accounts and the due date for the payment of the charges is as indicated on the accounts.

(3) The tariffs to calculate the refuse and sewer charges are determined annually, approved by Council and contained in the tariff book produced by the Municipality.

13. FINAL ACCOUNTS

(1) Upon receipt of a customer's application for the termination of municipal services, the Municipality shall:-

(a) take final readings in respect of metered municipal services;

(b) prepare and render a final account;

(c) appropriate the customer deposit for the reduction or settlement of any outstanding amount owed by the customer; and

(d) return the customer deposit to the customer in the event that no amount is owed to the Municipality.

(e) the services of the customer will be disconnected completely.

14. METERING OF MUNICIPAL SERVICES

(1) The Municipality may introduce various metering equipment and may encourage customers to convert to a system which is preferred by the Council when Council considers this to be beneficial to its functioning and operations.

(2) Water consumption is measured with water meters.

(3) The following applies to the reading of meters:-

(a) Water meters are read at in cycles of approximately 30 days.

(b) If for any reason the water meters cannot be read, the Municipality will render an account based on estimated consumption. The estimate will be based on the average of the previous 12 months consumption.

(c) The account based on estimated consumption will be adjusted in the subsequent account based on the actual consumption.

(d) The customer is responsible to ensure access to metering equipment for the purpose of obtaining meter readings for billing purposes.

(e) Customers can, for reasons of non-accessibility to their properties by meter readers, provide the Municipality with monthly meter readings for billing purposes, provided that an audit reading can be obtained by the Municipality once every six



months and provided that a final reading can be obtained should the customer vacate the property.

(f) If any calculation, reading or metering error is discovered in respect of any account rendered to a customer:-

- (i) the error shall be corrected in the subsequent account;
- (ii) any such correction in favour of Council may apply in respect of an account from a date no more than three calendar years back from the date on which the error on the account was discovered;
- (iii) any such correction in favour of the customer may apply in respect of an account from a date no more than three calendar years back from the date on which the error on the account was discovered; and
- (iv) (iv) the correction shall be based on the tariffs applicable during the period.

(g) Any water leakage discovered on the side of the customer will be the responsibility of the customer.

(i) When a customer vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made by the Municipality and the final account rendered accordingly.

15. PAYMENT OF ACCOUNTS

(1) All accounts rendered by the Municipality are due and payable on the due date.

(2) All payments, whether made by cash, stop order, electronic payments or payments made through duly authorized agents must be receipted by the Municipality by the close of business on the due date.

(3) Cheques will be accepted as payment for all municipal services. Where a cheque has been dishonoured the person issuing the cheque shall not be allowed to pay by cheque in future. All costs associated with a dishonoured cheque will be for the account of the customer.

(4) Accounts rendered by the Municipality can be paid at any municipal cashier office and any other pay point as determined by the Municipal Manager from time to time.

(5) The payment methods and facilities supported by the Municipality can be used to make payments on accounts.



(6) Payments received in respect of rates and service charges will be allocated by the Municipality entirely within its discretion, on the account of the customer.

(7) Part payment received on an account shall be allocated firstly to reduce any penalty charges that may have accrued on the account.

(8) An official receipt issued by the Municipality or its duly authorized agent will be the only proof of payments made.

16. INTEREST ON ARREAR DEBT

(1) Account balances which remain unpaid 30 days after the delivery date of an account **shall** attract interest irrespective of the reason for non-payment.

(2) Interest on arrear debt shall, subject to sub-clause (1) above, be calculated for each month, or part thereof, for which such payment remains unpaid.

(3) Interest will be charged from the first working day of the month following the month in which the account becomes payable.

(4) In case of outstanding debt owed by Residential Households, no further interest shall be charged on any outstanding amounts in respect of which an agreement had been concluded for the payment by way of instalment thereof, provided the instalment's are paid in full by the due dates thereof.

(5) Interest shall be charged on all arrear accounts at the prevailing overdraft rate offered by the municipality's bankers plus 2 (two) percentage points.

17. ENQUIRIES AND APPEALS

(1) Any aggrieved person may address a grievance or query regarding charges for municipal services to the Chief Financial Officer in writing or may visit any customer care office provided by the Municipality.

(2) Every customer has the right to ask and to be provided with a clear explanation as to the services being charged and a breakdown of all amounts shown on their account.

(3) The aggrieved person shall clearly state the basis of his or her dissatisfaction and the desired resolution.

(4) The lodging of an inquiry shall not relieve the aggrieved person of the responsibility to settle his or her account. An interim payment similar to an average account must be paid by the due date pending finalisation of the enquiry.

(5) The Municipality will respond to all inquiries from customers in writing within twenty eight days from the lodging of the enquiry.



18. LIMITATION, DISCONNECTION OR DISCONTINUATION OF SUPPLY

- (1) An account rendered to a customer by the Municipality in respect of rates or municipal services, including the collection and disposal of refuse, water and sewerage services shall be paid by the due date.
- (2) If the customer fails to pay any account within a period of fourteen (14) days after the expiry of the due date, then:-
 - (a) without further notice, the Municipality may limit, disconnect the supply of water to the immovable property in question; and
 - (b) the Chief Financial Officer or any duly authorised person may instruct attorneys to recover the outstanding amounts owed.
- (3) The limitation, disconnection or discontinuation of the supply of electricity or water shall be effected in the manner that is customarily used or by taking such reasonable and lawful steps as may be necessary.
- (4) The limitation, disconnection or discontinuation of the supply of water shall not result in a customer being denied access to basic water services for non-payment, where the customer proves, to the satisfaction of the Municipality, that he or she is unable to pay for basic water services.
- (5) A reconnection fine imposed for disconnected services will be equal to R140.00
- (5) If a customer unlawfully reconnects or attempts to reconnect a supply of electricity or water that has been limited, disconnected or discontinued, then -
 - (a) the Municipality may disconnect or discontinue the supply entirely by removing the service connection from the premises; and
 - (b) any disbursements, penalties or reconnection charges, together with any outstanding amounts owed in respect of rates or municipal services, must be paid in full before a reconnection can be made. A fine imposed will be an amount equal to R1000.00
- (6) Subject to the provisions of this policy, the Chief Financial Officer or any person duly authorised thereto may enter into an arrangement with a defaulter for the payment of an outstanding account, in which event -
 - (a) payment may be made by way of installments; and
 - (b) the normal supply of water to the premises shall be resumed.



(7) Any defaulter who enters into a bona fide arrangement with the Municipality for the settlement of arrears, and who fails to honour the terms of such arrangement, shall not be allowed to enter into any further arrangement with the Municipality.

(8) Any customer already handed over to a debt collector or attorney is not allowed to make any arrangement with the Municipality for the payment of such an account and must be referred to the relevant debt collector or attorney attending to the account handed over.

(9) In the case of a customer where the supply of electricity or water has been limited, disconnected or discontinued at least twice during the preceding period of twelve (12) months, the Municipality may review the amount of the customer deposit required from such customer.

(10) The Municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to the property if the owner requests such accounts in writing from the Municipality.

(13) The Municipality must provide an owner of a property in its jurisdiction with copies of any agreement entered into with the occupier of the property for the payment of an outstanding account if the owner requests such agreement in writing from the Municipality.

(14) Where a final account has been sent to a customer subject to section 13 of this policy.

19. RECOVERY OF RATES FROM OWNERS, TENANTS, OCCUPIERS AND AGENTS

(1) The Municipality may utilise the procedures prescribed in terms of section 18 of this policy to recover rates arrears from the owner of immovable property.

(2) Any limitation, disconnection of the water supply, for the purposes of sub-section (1), shall be effected subject to the requirements contained in section 18 of this policy.

(3) Alternatively to sub-section (1), above, the Municipality may recover rates arrears in whole or in part from a tenant or occupier of the immovable property, despite any contractual obligation to the contrary on the tenant or occupier.

(4) The amount the Municipality may recover from the tenant or occupier of a property is limited to the amount of rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property.



(5) Any amount the Municipality recovers from the tenant or occupier of the property must be set off by the tenant or occupier against any money owed by the tenant or occupier to the owner.

(6) The tenant or occupier of a property must, on request by the Municipality, furnish the Municipality with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the Municipality.

(7) The Municipality may, despite the Estate Agents Affairs Act 1976, recover the amount due for rates on a property in whole or in part from the agent of the owner, if this is more convenient for the Municipality.

(8) The Municipality may recover the amount due for rates from the agent of the owner only after it has served a written notice on the agent.

(9) The agent must, on request by the Municipality, furnish the Municipality with a written statement specifying all payments for rent on the property and any other money received by the agent on behalf of the owner during a period determined by the Municipality.

(10) The amount the Municipality may recover from the agent is limited to the amount of any rent or other money received by the agent on behalf of the owner, less any commission due to the agent.

20. DEBT COLLECTION

(1) Handover of debt to debt collectors and attorneys

(a) Debts which have been outstanding for more than 90 days from due date may be handed over to debt collectors appointed by the Municipality for the purposes of collecting such debt.

(b) The relevant debt collectors and attorneys must ensure that the stipulations contained in the NCA with respect to incidental credit are duly complied with.

(c) Only the Chief Financial Officer may hand over debts to debt collectors and attorneys for collection.

(d) The following types of debt will not be handed over to debt collectors and attorneys.

(i) Debts of indigent customers that are registered as indigent at the date of handover.

(ii) Government debt.



(iii) Debt that is being paid off as per an arrangement with the customer.

(e) The process of collecting debt by debt collectors and attorneys includes:-

(i) The phoning of customers.

(ii) Sending of sms to customers.

(iii) Sending out demand letters.

(iv) Making arrangements with customers to pay off debt in terms of the Council's credit control and debt collection policy.

(v) Making follow-up contact with customers on unpaid arrangements.

(vi) Final demands for payment to customers.

(vii) Emolument attachment orders on customer's salaries.

(viii) Summons issued for debt to be paid.

(ix) Default judgment be obtained against the customer.

(x) The attachment of moveable properties and sale in execution of moveable property

(xi) The attachment of immoveable property and the sale of immoveable property.

(3) Section 118 of the Local Government: Municipal Systems Act No 32 of 2000.

(1) A registrar of deeds or other registration officer of immovable property may not register the transfer of property except on production to that registration officer of a prescribed certificate—

(a) issued by the municipality in which that property is situated; and

(b) which certifies that all amounts due in connection with that property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies and duties during the two years preceding the date of application for the certificate have been fully paid.

(2) In the case of the transfer of immovable property by a trustee of an insolvent estate, the provisions of this section are subject to section 89 of the Insolvency Act, 1936 (Act No. 24 of 1936).

(3) An amount due for municipal service fees, property rates and other municipal taxes, levies and duties is a charge upon the property in connection with which the



amount is against the property owing and enjoys preference over any mortgage bond registered against the property.

(3.1) Rates Clearance Certificates:-

- (i) will be valid for up to 90 days;
- (ii) no extension on a certificate will be granted. If it expires a new application for clearance must be made;
- (iii) if the valid period surpasses 30 June, the total annual debit for the following financial year will be payable; and
- (iv) outstanding services on properties may only be recovered for a maximum period of two years.

(4) Debt of approved indigent customers written off

- (a) Upon registration as an indigent household, the arrears on the account of the applicant will be written off, within 3 months of a customer being regarded as an indigent.
- (b) Where restriction of consumption applies to a particular service, applicants may not refuse to be restricted in terms of Council policy. Where restrictions are not possible the account holder will be responsible for the consumption in excess of the approved subsidy.
- (c) The approved indigent customer's free basic water is 6 kilolitres and 50 kilowatts electricity.

(5) Other debt collection methods

- (a) The debt collection methods mentioned in the paragraphs above are not an exhaustive list of methods that can be applied to collect debts and any other methods that can be initiated will be implemented with the approval of Council.

21. ARRANGEMENTS TO PAY ARREAR DEBT

(1) Arrangements to Pay Outstanding and Due Amounts in Consecutive Instalments - Residential Households

- (a) One of the key objectives of debt collection is to encourage customers to start paying their monthly accounts in full. In addition it is also necessary to ensure that



arrear debt is addressed. The current average balances on customer accounts necessitate that innovative ideas be implemented to encourage customers to pay off their arrears. At the same time it is also of utmost importance that regular payers not be discouraged through the implementation of any possible incentives.

(b) The main aim of an agreement will be to promote full payment of the current account and to address the arrears on a consistent basis.

(c) A customer may enter into a written agreement with the Municipality to repay any outstanding and due amount to the Municipality under the following conditions:-

(i) The outstanding balance, costs and any interest thereon shall be paid in regular and consecutive monthly instalments;

(ii) The current monthly amount must be paid in full; and

(iii) The written agreement has to be signed on behalf of the Municipality by a duly authorised officer.

(iv) The agreement will be compliant with the requirements of the National Credit Act where applicable.

(d) In order to determine monthly instalments a comprehensive statement of assets and liabilities of the customer must be compiled by a treasury official. To ensure the continuous payment of such arrangement the amount determined must be affordable to the customer, taking into account that payment of the monthly current account is a prerequisite for concluding an arrangement.

(e) The Municipality may from time to time introduce incentive schemes to improve the debt collection rate.

(f) A customer who cannot pay their arrear debt may enter into an arrangement to pay the account over an extended period of time.

(g) No arrangements will be entertained by the Municipality on a debt that has been handed over for legal collection.

(h) The Municipality will entertain only one arrangement with a customer to pay off arrear debt. Failure to abide by the arrangement will result in that:-

(i) the arrangement shall be terminated with immediate effect; and

(ii) the outstanding balance shall immediately become due and payable;

(iii) an arrangement will be made as per the minimum payment schedule outlined below.

(i) The customer by signing the arrangement agreement to pay off arrear debt acknowledges the following: -

(i) The debt is owed to the Municipality.

(ii) That on default of the arrangement agreement, interest on arrears will be charged on the amount due, electricity supply will be disconnected to the property of the customer or the customer will be blocked from the purchase of electricity or water on the prepayment system, and legal proceedings will be instituted to collect the debt.

(iii) That the customer will be liable for all costs, which includes legal costs on an attorney client basis incurred to collect the debt.

Minimum Payment Schedule

Monthly Household Income Rands	Total Debt	Monthly Debt Repayment Amount in Rands
0 -1 100	All	R 50.00
1 101 - 3000	0 – 1 999	R 250.00
	2 000 -3 999	R 300.00
	4 000 – 5 999	R 350.00
	6 000 – 7 999	R 400.00
	8 000 – 9 999	R 450.00
	10 000 & Above	R 500.00
3 001 & Above	0 – 1 999	R 550.00
	2 000 -3 999	R 650.00
	4 000 – 5 999	R 750.00
	6 000 – 7 999	R 850.00
	8 000 – 9 999	R 950.00
	10 000 & Above	R 1050.00



(2) Arrangements by businesses

- (a) At the date of the arrangement a minimum of 50% of the capital arrear debt must be paid immediately.
- (b) The balance of the debt which includes the capital amount and interest must be paid over a 6 to 12 month period provided payments are made monthly by the due date. No extensions will be approved on this arrangement.
- (c) The total monthly instalment must include the current monthly charges plus the amount to pay off arrear debt.
- (d) No arrangements will be entertained by the Municipality on a debt that has been handed over for legal collection.
- (f) Failure to maintain the arrangement will result in interest being reversed and full debt collection being implemented, with no possibility of reprieve.
- (g) Any arrangement outside of the foregoing must be approved by the Municipal Manager. This function cannot be delegated.

22. INDIGENT CUSTOMERS

- (1) An account holder (customer) must apply, in the prescribed manner, to be regarded as an indigent customer as defined in the Indigent Policy approved by the Council.
- (2) Any person who has been declared indigent shall be entitled to indigent subsidies for basic services on a year basis.
- (3) The approved account holder shall remain responsible for any outstanding amount for future excess charges.
- (4) The arrears on the accounts of households, approved as indigent, will be submitted to Council to be written off in full. This submission will only be valid as a once-off exercise after approval and will not be applicable for future consumption in excess of the approved subsidy accumulated.
- (5) Indigent customers with water meters are required to pay their current monthly account, which is the amount after the indigent subsidy has been deducted, every month by the due date.



23. DEBT OF ABSCONDED OWNERS

The occupant of the property must sign an agreement in which the occupant agrees to pay all property rates and service charges that are to be raised on the property of the absconded registered owner's property.

24. STAFF AND COUNCILLORS - PAYMENT OF ARREARS

- (1) All existing staff and Councillors who have not entered into an agreement to pay arrears must do so within thirty days of the approval of this policy by Council.
- (2) All staff joining the Municipality must within thirty days sign an agreement to pay arrears.
- (3) The repayment period for both Councillors and staff is not to exceed twelve months.
- (4) All agreements with Councillors must not exceed the expiry date of the term of office.

25. WRITE OFF OF IRRECOVERABLE DEBT

- (1) The objective to write off irrecoverable debt is to have a debt book that does not reflect irrecoverable debt.
- (2) For this purpose Council should adopt and implement a write off policy to formalise the processes for writing off such debts.

26. CERTIFICATES REQUIRED FOR TENDERS

- (1) A person or an institution reacting to a tender published by the Municipality or wishing to enter into a contract to either provide services or goods to the Municipality must produce a certificate, on the prescribed form, which states that regular payment of rates and services accounts are maintained and that the account is currently up to date.
- (2) A person who fails to provide such a certificate shall be disqualified from the tendering process.



(3) A person who has an existing arrangement with the Municipality for the payment of arrears shall be exempted from (1) and (2) to the extent of the arrears.

27. PRIMA FACIE EVIDENCE

A certificate endorsed by the municipal manager, reflecting the amount due and payable to the Municipality, shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness reflected therein.

28. OFFENCES AND PENALTIES

(1) Any person who:-

(a) fails to give the access required by a duly authorised representative of the Municipality in terms of this policy;

(b) obstructs or hinders a duly authorised representative of the Municipality in the exercise of his or her powers or performance of functions or duties in terms of this policy;

(c) unlawfully uses or interferes with municipal equipment or the consumption of services supplied to any customer;

(d) tampers with or breaks any seal on a meter or on any equipment belonging to the Municipality, or causes a meter not to register properly the service used;

(e) fails, or refuses, to give a duly authorised representative of the Municipality such information as he or she may reasonably require for the purpose of exercising or performing his or her powers or functions in terms of this policy, or gives such representative false or misleading information, knowing it to be false or misleading;
or

(f) contravenes, or fails to comply with, a provision of this policy, shall be guilty of an offence. Upon conviction an offender shall be liable for a fine of R1000.

29. POWER OF ENTRY AND INSPECTION

(1) For any purpose related to the implementation or enforcement of this policy, and at all reasonable times, or in an emergency, a duly authorised representative of the Municipality may enter premises, request information and carry out such inspection or examination, as he or she may deem necessary:-

(a) with regard to the installation or repair of any meter or service connection or reticulation; or

(b) so as to limit, discontinue, disconnect or reconnect the provision of any service.

(2) If the Municipality considers it necessary that work be performed to enable the aforesaid authorised representative to perform a function referred to in subsection (1) properly and effectively, then it may:-

(a) by written notice require the owner or occupier of the premises, at his or her own expense, to do specific work within a specified period; or

(b) if, in its reasonable opinion, the situation is a matter of urgency, then the Municipality may do such work, or cause it to be done, at the expense of the owner or occupier, and without written notice.

(3) If the work referred to in subsection (2)(b) above is carried out for the sole purpose of establishing whether a contravention of this policy has been committed, and no such contravention has taken place, then the Municipality shall bear the expense connected therewith, together with the expense of restoring the premises to its former condition.

30. NOTICES

(1) A notice or document issued by the Municipality in terms of this policy shall be deemed to be duly issued if signed by a duly authorised representative of the Municipality.

(2) If a notice is to be served on a person in terms of this policy then such service shall be effected by:-

(a) delivering the notice to him or her personally, or to his or her duly authorised agent;

(b) delivering the notice at his or her residence or place of employment, to a person apparently not less than 16 (sixteen) years of age, and apparently residing or employed there;

(c) if he or she has nominated an address for legal purposes, delivering the notice to such an address;

(d) registered or certified post, addressed to his or her last known address;



(e) in the case of a body corporate, delivering it to the registered office or the business premises of such a body corporate; or

(f) if service cannot be effected in terms of the foregoing subsections, by affixing it to the principal door of entry to the premises or displaying it in a conspicuous place on the property to which it relates.

31. BY-LAWS

(1) The Municipality may promulgate by-laws regarding:-

(a) any matter required, or permitted, to be prescribed in terms of this policy; and

(b) generally, all matters which, in the reasonable opinion of the Municipality, are necessary, or expedient, to be prescribed, in order to achieve the objects of this policy.

32. REPEAL OF POLICY

Any policy relating to credit control and debt collection adopted by the Municipality or any erstwhile municipal council now comprising an administrative unit of the Municipality shall be repealed from the date of promulgation of this policy.

33. PUBLICATION OF POLICY

The Municipal Manager shall, within 14 days from the date of adoption of this Policy by the Council, by public note draw the attention of the public to its broad contents and method of application.

34. APPLICATION OF THE POLICY

The Council reserves the right to differentiate between different categories of customers, debtors, services or service standards when applying this Policy. The Council will on application of the credit control policy avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

35. IMPLEMENTATION AND REVIEW OF THIS POLICY

(1) This policy shall be implemented once approved by Council. All future credit control actions must be made in accordance with this policy.



(2) In terms of section 17(1)(e) of the MFMA this policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

