

RAMOTSHERE MOILOA

LOCAL MUNICIPALITY



CREDIT CONTROL AND DEBT COLLECTION POLICY

RMLM CREDIT CONTROL & DEBT COLLECTION POLICY

Approved per Council
Resolution No.02/05/2015

PREAMBLE

- (1) **WHEREAS** section 152(1)(b) of the Constitution of the Republic of South Africa, Act 108 of 1996 (hereinafter referred to as “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;
- (2) **AND WHEREAS** section 153(a) of the Constitution provides that a Municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;
- (3) **AND WHEREAS** section 195(1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including:
- The promotion of the efficient, economic and effective use of resources;
 - The provision of services impartially, fairly, equitably and without bias; and
 - The fact that people’s needs must be responded to;
- (4) **AND WHEREAS** section 18(1)(a), read with sub-section (2) of the Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as “the MFMA”) provides that an annual budget of the Municipality should be funded from realistically anticipated revenues to be collected taking into account projected revenue for the current year based on collection levels to date and the actual revenue collected in the previous financial years;
- (5) **AND WHEREAS** section 4(1)(c) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as “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;

- (6) **AND WHEREAS** section 5(1)(g), read with sub-section (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 Registered Indigent debtors, they pay promptly for services and pay the fees, surcharges on fees, other taxes, levies and duties imposed by the Municipality;
- (7) **AND WHEREAS** section 6(2)(c), (e) and (f) of the Systems Act, provides that the administration of a Municipality must take measures to prevent corruption, give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive, and inform the local community about how the Municipality is managed and of the costs involved and the persons in charge;
- (8) **AND WHEREAS** in terms of the provisions of section 95 of the Systems Act, the Ramotshere Moiloa Local Municipality (hereinafter referred to as “the Municipality”), in relation to the levying of rates and other taxes and the charging of fees for municipal services and within its financial and administrative capacity, must:
- (a) establish a sound customer management system which aims to create a positive and reciprocal relationship between persons liable for these payments and the Municipality, and where applicable a service provider;
 - (b) establish mechanisms for consumers of municipal services and ratepayers to give feedback to the Municipality or other service

provider regarding the quality of the municipal services and performance of the service provider;

- (c) take reasonable steps to ensure that users of municipal services are informed of the costs involved in municipal service provision, the reasons for the payment of municipal service fees and the manner in which monies raised from such municipal service are utilised;
 - (d) where the consumption of municipal services has to be measured, take reasonable steps to ensure that the consumption by individual users of municipal services is measured through accurate and verifiable metering systems;
 - (e) ensure that persons liable for payments receive regular and accurate statements that indicate the basis for calculating the amounts due;
 - (f) provide accessible mechanisms for those persons to query or verify statements and accounts and metered consumption;
 - (g) provide accessible mechanisms for dealing with complaints from such persons, together with prompt replies and corrective action by the Municipality which includes the declaring of disputes and procedures which allows for the dealing with such disputes;
 - (h) provide mechanisms to monitor the response time and efficiency in complying with sub-paragraph (g) above; and
 - (i) provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for municipal services;
- (9) **AND WHEREAS** and in terms of the provisions of section 96 of the Systems Act, the Municipality must collect all money which is due and payable to it subject to the provisions of the Systems Act and other applicable legislation and for this purpose must adopt, maintain and implement a Credit Control and Debt Collection Policy which complies with the provisions of the Systems Act and is consistent with the Rates and Tariff Policies of the Municipality;

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NOW THEREFORE the Municipality has adopted this policy in compliance with the provisions of the above referred to sections and specifically the provisions of section 97 of the Systems Act, to be known as the “Credit Control and Debt Collection Policy” which provides the contents for this policy.

THE RAMOTHERE MOILOA

LOCAL MUNICIPALITY:

CREDIT CONTROL AND DEBT COLLECTION POLICY

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CHAPTER 1

INTRODUCTORY PROVISIONS

1. DEFINITIONS

In this policy, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the provisions of the Systems Act and the Tariff Policy or By-Law or the Rates Policy or By-Law of the Municipality, will have a corresponding meaning assigned thereto in terms of such policies or by-laws. All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
“A”		
1.1	“account”	<p>Means the account opened for a customer in the financial system of the Municipality and in respect of which an account number is allocated, and in context also refer and include the entries and activities and/or arrears reflected on the account, containing and reflecting the liability of the consumer for the payment of rates, tariffs, levies, fees and the consumption of municipal services, which includes charges in respect of the following:</p> <ul style="list-style-type: none"> (a) electricity consumption; (b) water consumption; (c) refuse removal and disposal; (d) sewerage services and sewer availability fees;

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		<p>(e) interest; and</p> <p>(f) miscellaneous and sundry fees and collection charges.</p>
1.2	“arrears”	<p>Means any amount due, owing and payable in respect of rates, tariffs, levies, fees and for the consumption of municipal services in terms of this policy and includes <i>inter alia</i>:</p> <p>(a) the principal amount;</p> <p>(b) collection charges;</p> <p>(c) interest;</p> <p>(d) default charges;</p> <p>(e) connection and disconnection fees;</p> <p>and which was not paid on or before the payment date.</p>
“B”		
1.3	“billing”	<p>Means proper notification and invoicing of a statement to a customer of amounts levied for rates, tariffs, levies, fees and the consumption of municipal services including all other amounts and charges due in terms of this policy as well as the net accumulated balance of the account.</p>
1.4	“billing cycle”	<p>Means the time period in respect of which a customer is liable to effect payment to the Municipality for rates, tariffs, levies, fees and consumption of municipal services, being a monthly cycle in respect of the tariffs, levies, fees and consumption of municipal services, and either a monthly or an annual cycle in respect of rates, and which cycle ends on the payment date.</p>
“C”		
1.5	“Chief Financial	Means a person appointed by the Council and

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	Officer”	designated by the Municipal Manager of the Municipality to manage the financial administration of the Municipality and who remains directly accountable to the Municipal Manager as contemplated in terms of the provisions of section 80(2)(a) read with the provisions of section 1 and section 81 of the MFMA.
1.6	“collection charges”	<p>Means all costs incurred by the Municipality during the process of recovering monies due and payable to it, or arrears, including the charges which may be recovered by the Municipality in terms of section 75A of the Systems Act and includes:</p> <ul style="list-style-type: none"> (a) the cost of reminding a customer of monies due and payable or arrears; (b) the cost of the termination, disconnection, restriction and reinstatement of municipal services; (c) the cost of any notice rendered, sent or delivered; (d) all legal cost, including attorney and client cost incurred in the recovery of arrears; and (e) any commission and other expenses relating to the recovery of arrears payable by the Municipality to any person or service provider.
1.7	“consumer”	Means any person or entity consuming or receiving municipal services, and may include a customer or a tenant of a customer irrespective of whether such a person has concluded a service agreement with the Municipality, and may also include a person who illegally and unlawfully connects to the municipal services infrastructure or who illegally and unlawfully gains access to or usage of the municipal services or who consumes any municipal

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		services unlawfully.
1.8	“Council”	Means the Municipal Council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution.
1.9	“credit control”	Includes all the functions relating to the collection of monies owed to the Municipality by consumers. Credit control under this definition starts once an account is in arrears or any consumer connects to any service infrastructure or consumes any municipal service lawfully or unlawfully.
1.10	“credit controller”	Means a person appointed by the Municipality to manage <i>inter alia</i> , the financial and administration credit control and debt collection of the Municipality’s debtors.
1.11	“customer”	Means the owner of the premises or in exceptional circumstances a tenant, and includes a person or entity liable to the Municipality for the payment of tariffs, levies, fees and municipal consumption charges in terms of a service agreement concluded with the Municipality, and may include a person who applied to the Municipality to become a Registered Indigent in terms of the Indigent Policy, and who is not the owner of the premises, but who is: (a) the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or (b) the party to whom the residential property is awarded in the event of a divorce; or (c) where a deceased estate has not been wound up: (i) in the case of a deceased estate, in

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		<p>whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or</p> <p>(ii) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or</p> <p>(iii) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or</p> <p>(iv) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate;</p> <p>and who simultaneously with the application for indigent support in terms of the Indigent Policy, applied for the provision of municipal services in terms of this policy to be granted an account and to conclude a service agreement with the Municipality, and whose application has been approved by the Municipality, and as such has concluded a service agreement with the Municipality.</p>
1.12	“customer management”	Means focusing on the customer’s needs in a responsive and proactive manner to encourage payment, thereby limiting the need for credit control.

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“D”		
1.13	“day(s)”	Means a normal calendar day which include a Saturday, Sunday and public holidays.
1.14	“debt collection”	Means the functions relating to the collection of arrears and includes the restructuring of such debt, and procedures and mechanisms for the collection of all monies due and payable to the Municipality in terms of this policy, and in respect of rates, tariffs, levies, fees and municipal consumption charges for municipal services, in order to ensure financial sustainability and the uninterrupted delivery of municipal services in the interest of the community.
1.15	“debtor”	Means any person, including a customer or consumer, who has failed to make payment of a debt due, owing and payable to the Municipality on or before the payment date.
1.16	“dispute”	Means a dispute as contemplated in terms of the provisions of section 102(2) of the Systems Act.
“E”		
1.17	“equipment”	Includes any building or other structure, pipe, pump, wire, cable, meter, engine, any apparatus, tools, device, connection system or network, service protection device, reticulation network or supply mains or any part of any of the foregoing supplied or used in the supply, distribution or conveyance of municipal services or the measurement of consumption of such services, or any other accessories to any of the aforementioned.
1.18	“Executive Committee”	Means the Executive Committee of the Municipality as elected in terms of section 43 of the Structures Act.

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1.19	“exceptional circumstances”	Means such circumstances which in the sole discretion of the Chief Financial Officer constitute an exception.
“H”		
1.20	“household”	Means the total number of persons who permanently resides and occupy a single premise for residential purposes.
“I”		
1.21	“indigent support”	Means the financial and other support, discounts, subsidies and assistance which the Municipality renders to Registered Indigents and households headed by Registered Indigents in terms of the Indigent Policy of the Municipality.
1.22	“interest”	Means the charge levied on arrears as referred to in the provisions of section 75A(1)(b) of the Systems Act and at the rate as resolved by the Council.
“M”		
1.23	“Mayoral Committee”	Means the Mayoral Committee as envisaged in terms of the provision of section 60 of the Structures Act.
1.24	“MFMA”	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.25	“MPRA”	Means the Local Government: Municipal Property Rates Act, Act 6 of 2004.
1.26	“Municipality”	Means the RAMOTSHERE MOILOA LOCAL MUNICIPALITY, a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act read with the provisions of Chapter 7 of the Constitution and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the

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		<p>Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at: c/o of President & Coetzee Street, ZEERUST, NORTH WEST PROVINCE and may, depending on the context, include:</p> <p>(a) its successor in title; or</p> <p>(b) a functionary, employee or official exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act, or exercising any lawful act in the furtherance of the Municipality’s duties, functions and powers; or</p> <p>(c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.</p>
1.27	“Municipal Manager”	<p>Means the Municipal Manager of the Municipality appointed in terms of the provisions of section 54A of the Systems Act and as referred to in the definition of “Accounting Officer” in section 1 of the MFMA, and also referred to in section 60 of the MFMA, and includes a person acting as an Accounting Officer, or the person to whom the Accounting Officer has delegated his/her authority to act.</p>
1.28	“municipal services” or “services”	<p>Means a service that a Municipality provides or may provide in terms of its powers and functions to or for the benefit of the local community irrespective of whether:</p> <p>(a) such service is provided or to be provided by the Municipality through an internal mechanism contemplated in section 76 of the Systems Act or by engaging an external</p>

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		<p>mechanism contemplated in section 76; or</p> <p>(b) fees, charges or tariffs are levied in respect of such service or not.</p>
“O”		
1.29	“occupier”	Means any person who occupies premises or part thereof, without taking cognisance of the title under which he or she occupies the premises.
1.30	“official application form”	Means the application form provided in Schedule 1 to this policy.
1.31	“owner”	<p>Means:</p> <p>(a) the person in whose name the property is registered;</p> <p>(b) in the case where the person in whose name the property is registered, is insolvent or deceased, or is disqualified in terms of any legal position, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, usufructuary, servitude holder or any other duly authorised or appointed representative;</p> <p>(c) in the case where the Municipality or service provider is unable to establish the identity of such person, the person who is entitled to derive benefit from the property or any buildings thereon;</p> <p>(d) in the case of a lease agreement entered into for a period of 30 (thirty) years or longer, or for the natural life of the lessee or any other person mentioned in the lease, or is renewable from time to time at the will of the lessee indefinitely or for a period of periods</p>

		<p>which, together with the first period of the lease, amounts to 30 (thirty) years, the lessee or any other person to whom he has ceded his right, title and interest under the lease, or gratuitous successor to the lessee;</p> <p>(e) in relation to:</p> <ul style="list-style-type: none">(i) a piece of land delineated on a sectional title plan and which is registered in terms of the Sectional Title Act, Act 95 of 1986, without limiting it to the developer or body corporate in respect of the common property;(ii) a section as defined in the Sectional Title Act, Act 95 of 1986, the person in whose name that section is registered in terms of a "sectional title deed", including the lawfully appointed representative or agent of such person; <p>(f) any legal entity including but not limited to:</p> <ul style="list-style-type: none">(i) a company registered in terms of the Companies Act, Act 61 of 1973, a trust inter vivos, trust mortis causa, a close corporation registered in terms of the Close Corporation Act, Act 69 of 1984 and any voluntary organisation;(ii) any provincial or national government department, or local authority;(iii) any Council or management body established in terms of any legal framework applicable to the Republic of South Africa; and(iv) any embassy or other foreign entity in whose name the property is registered;
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		<p>(g) in relation to property owned by the Municipality and which has been disposed of, but which has not been transferred to the person to whom it has been disposed of, from the date of the disposition concerned, such person; and</p> <p>(h) in relation to property owned by or under the control or management of the Municipality while held under a lease or any express or tacit extension thereof or under any other contract or under servitude or right analogous thereto, the person so holding the immovable property.</p>
“P”		
1.32	“payment date”	Means the date by which any amount due, owing and payable should have been paid.
1.33	“person”	Means any natural or juristic person, local government body or like authority or an organ of state as defined in terms of section 239 of the Constitution, a company incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association, club or trust.
1.34	“prepayment meter”	Means a meter whereby payment for municipal services is first made elsewhere and credit is transferred to such meters by means of a token or coded number or credit card or other means and such meter is programmed and dispenses pre-purchased municipal services as it is consumed by the consumer at a predetermined rate or charge.
1.35	“prepayment measuring system”	Means a meter and ancillary devices, approved by the Municipality designed to measure and allocate to a consumer the quantity of municipal services

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		pre-purchased by the consumer.
1.36	“premises”	Means any property or any building or structure above or below ground levels on property and may include any vehicle, aircraft or vessel.
1.37	“property”	<p>Means:</p> <ul style="list-style-type: none"> (a) immovable property registered in the name of a person/owner including in the case of a sectional title scheme, a sectional title unit registered in the name of any person/ owner; (b) a right registered against immovable property in the name of a person excluding a mortgage bond registered against the property; (c) any piece of land, the external surface boundaries of which are delineated on: <ul style="list-style-type: none"> (i) a general plan or diagram registered in terms of the Land Survey Act, Act 9 of 1927 or in terms of the Deeds Registries Act, Act 47 of 1937 or; (ii) a sectional plan registered in terms of the Sectional Titles Act, Act 95 of 1986; which is situated within the area of the Municipality; (d) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or (e) Public service infrastructure.
“R”		
1.38	“rates”	Means a municipal rate on property levied in terms of section 229(1)(a) of the Constitution and section 2(1) the MPRA.
1.39	“Registered Indigent”	Means a person who has applied to the

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		Municipality in terms of the Indigent Policy to be registered as a Registered Indigent, whose application was approved by the Municipality, and who is indicated as a Registered Indigent on the Indigent Register as contemplated in the Indigent Policy of the Municipality.
“S”		
1.40	“service agreement”	Means the written agreement concluded between the Municipality and a customer for the provision of municipal services to premises once the Municipality has approved the customers official application form for the rendering of such services to the customer and which contains the terms and conditions upon which the Municipality will render such services to the customer.
1.41	“service provider”	Means the Municipality as well as any external entity that provides municipal services to the consumer on behalf of the Municipality, pursuant to a service delivery agreement entered into with Municipality in terms of section 80 of the Systems Act, and may also include any authorised agent of the Municipality.
1.42	“statement”	Means the statement furnished to a customer reflecting the status of the account of the customer, or the liability of the consumer where such a consumer has no account, for the payment of rates, tariffs, levies, fees and the consumption of municipal services and which reflects the amount due to the Municipality by such customer/consumer in respect of the rates, tariffs, levies, fees and municipal services consumed and which includes charges in respect of the following: (a) electricity consumption;

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		(b) water consumption; (c) refuse removal and disposal; (d) sewerage services and sewer availability fees; (e) interest; and (f) miscellaneous and sundry fees and collection charges.
1.43	“Structures Act”	Local Government: Municipal Structures Act, Act 117 of 1998.
1.44	“Systems Act”	Local Government: Municipal Systems Act, Act 32 of 2000.
“T”		
1.45	“tamper”	Means any interference with, damage to, alteration of, by-passing of any connection to, or removal of any equipment and includes the consumption of or use of any municipal services not in accordance with this policy.
1.45	“tariff policy”	Means the Tariff Policy of the Municipality as envisaged in terms of the provisions of section 74 of the Systems Act.
1.46	“Tariff Schedule”	Means the Tariff Schedule as referred to in the Tariff Policy and approved by Council.
1.47	“tenant”	Means a person who is entitled to the use and enjoyment of premises for the payment of rent as a result of an agreement concluded with a person who has the right to extent such rights regarding the premises.
1.48	“this policy”	Means the Credit Control and Debt Collection Policy of the Municipality.

2. AIM AND PURPOSE

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Approved per Council
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- (1) This policy constitutes the policy of the Municipality as contemplated in terms of the provisions of section 96(b) of the Systems Act, read with the provisions of section 97 of the same act.
- (2) This policy further provides for and gives effect to those matters set out in the provisions of section 95 of the Systems Act.
- (3) The aim and purpose of this policy is to:
 - (a) ensure that all monies due and payable to the Municipality in respect of rates, tariffs, fees, levies, municipal services, surcharges on such fees, charges, tariffs, levies and interest which has accrued on any amounts due and payable in respect of the foregoing and any collection charges in respect thereof, are collected promptly and efficiently;
 - (b) provide for credit control and debt collection procedures and mechanisms;
 - (c) provide relief for Registered Indigent account holders;
 - (d) provide for the setting of realistic targets consistent with generally recognised practices and collection ratios and the estimates of income as set out in the annual budget of the Municipality less the acceptable provision for bad debt as provided in Chapter 6 of this policy;
 - (e) provide for the levying of interest on arrears;
 - (f) provide for collection charges on the payment of any arrears;
 - (g) provide for the extension of time for the payment of arrears;
 - (h) provide for the dealing with disputes declared in terms of the provisions of section 102(2) of the Systems Act;
 - (i) provide for matters relating to the unauthorised consumption, theft and/or damages of or to equipment or municipal services;

- (j) to provide for conditions relating to the supply of municipal services and the termination of municipal services or for restrictions on the provisions of municipal services when payments are in arrears;
- (k) to provide for mechanism whereby statements or meter reading services may be queried or verified;
- (l) to provide for mechanisms where irrecoverable debt is written off;
- (m) to provide for penalties for non compliance with the policy;
- (n) to provide for incentives and disincentives in order to ensure cost effective debt collection; and
- (o) to enable the Municipality to collect all budgeted income in order to fund its operational requirements in respect of service delivery to the community within its municipal area.

3. TITLE AND APPLICATION

- (1) This policy is known as the Credit Control and Debt Collection Policy of the Ramotshere Moiloa Local Municipality and is applicable to the municipal area of the Municipality.
- (2) This policy revokes and replaces all previous policies, decisions and/or *ad hoc* paragraphs within any other policy, regarding the subject matter of this policy.
- (3) This policy further applies to all monies due and payable to the Municipality for:
 - (a) rates levied in terms of the MPRA;
 - (b) fees, charges and tariffs levied in terms of section 75A of the Systems Act;

- (c) the provision of municipal services by the Municipality, respective of whether such municipal service(s) is provided by the Municipality itself or on behalf of the Municipality through a service provider;
- (d) interest which has or will accrue in respect of any arrears;
- (e) collection charges; and/or
- (f) municipal services provided through prepayment meters, as well as any fees, surcharges on fees and/or tariffs in respect thereof.

4. COMMENCEMENT AND VALIDITY

This policy shall come into full force and effect upon the acceptance hereof by the Council of the Municipality by resolution.

5. RESPONSIBLE AUTHORITY

- (1) The responsible authority for the adoption and implementation of this policy is the Municipality and where applicable the Council of the Municipality.
- (2) The Executive Committee of the Municipality, as the supervisory authority in terms of the provisions of section 99 of the Systems Act, is responsible for and must:
 - (a) oversee and monitor the implementation and enforcement of this policy as well as the Credit Control and Debt Collection By-Law of the Municipality;
 - (b) oversee and monitor the performance of the Municipal Manager in implementing this policy and the Credit Control and Debt Collection By-Law of the Municipality;

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- (c) if and when necessary, evaluate or review this policy or the Credit Control and Debt Collection By-Law of the Municipality, in order to improve the efficiency of the credit and debt collection mechanisms, processes and/or procedures; and
 - (d) at such intervals as may be determined by the Council, report to a meeting of the Council on the execution of its supervisory duty.
- (3) The Municipal Manager or any service provider, as the implementing authority in terms of the provisions of section 100 of the Systems Act, is responsible for and must:
- (a) implement and enforce this policy and the Credit Control and Debt Collection By-Law of the Municipality;
 - (b) establish effective administrative mechanisms, processes and procedures in order to collect monies due and payable to the Municipality in accordance with this policy and the Credit Control and Debt Collection By-Law of the Municipality; and
 - (c) at such intervals as may be determined by the Council report the prescribed particulars to a meeting of the supervisory authority referred to in sub-paragraph (2) above.

6. GENERAL PRINCIPLES FOR CREDIT CONTROL AND DEBT COLLECTION

- (1) The administrative integrity of the Municipality must be maintained in the implementation and enforcement of this policy.
- (2) All customers must complete an official application form, formally requesting the Municipality to provide municipal services to such customers and to a specific premise. The rights and obligations of the customer and the Municipality are set out in the service application form and the service

agreement, as well as the terms and conditions upon which the Municipality will provide the municipal services to the customer.

- (3) Upon the approval of an application by the Municipality, the official application form will constitute a service agreement between the customer and the Municipality, which service agreement sets out the terms and conditions upon which the Municipality will provide the municipal services to such customer. The Municipal Manager may from time to time direct that a new service agreement be concluded with existing customers. The credit-worthiness and other information which the Municipality deems necessary in order to approve an application may be obtained and confirmed by the Municipality.
- (4) A copy of the official application form, the terms and conditions upon which the Municipality will provide the municipal services and extracts of this policy and the relevant Credit Control and Debt Collection By-Law of the Municipality, must be handed to every customer upon request at such fees as may be prescribed by Municipality.
- (5) The Municipality will render a statement to the customer and will endeavour to cause it to be accurate and understandable and to be delivered to an address indicated by the customer.
- (6) The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- (7) The customer is entitled to efficient, effective and reasonable responses to enquiries and the resolution of disputes.

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- (8) Enforcement of payment, collection of arrears and the termination or restriction of municipal services for non-payment must be prompt and consistent.
- (9) Unauthorised consumption, connection and reconnection of municipal services, the tampering with or theft of meters, municipal service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to summary disconnections, penalties, loss of rights and criminal prosecution.
- (10) Incentives and disincentives may be used as part of the debt collection procedures.
- (11) The debt collection process must be cost-effective and efficient.
- (12) The effectiveness of the implementation of this policy by the Municipality will be regularly and efficiently reported on and monitored.
- (13) The official application forms will be used to, *inter alia*, identify the category of customers according to this policy, credit risk and to determine the relevant levels of municipal services and deposits required as well as the premises in respect of which these municipal services should be rendered.
- (14) Targets for performance in both customer service and debt collection will be set and pursued, as well as remedies implemented for non-performance.
- (15) Customers that meet the criteria of the Municipality set out in the Indigent Policy to be recognised as Registered Indigents must be identified and supported, but must take note that their status as Registered Indigents will be listed for credit rating and reporting purposes.

CHAPTER 2

DUTIES AND FUNCTIONS

7. DUTIES AND FUNCTIONS OF THE COUNCIL AND/OR MUNICIPALITY

- (1) To approve a budget in terms of the applicable provisions of the MFMA, consistent with the Integrated Development Plan of the Municipality and having regards to the needs of communities, ratepayers and residents.
- (2) To determine and impose rates, fees, charges and tariffs to finance the budget of the Municipality and to take reasonable steps to collect funds due to the Municipality.
- (3) To facilitate sufficient funds to enable the Municipality to give access to basic municipal services to the poor.
- (4) To provide for provision for bad debts, in line with the payment record of customers as reflected in the financial statements of the Municipality.
- (5) To set an improvement target for debt collection, in line with acceptable accounting ratios and resources available to the Municipal Manager.
- (6) To provide a reporting framework for customer care, credit control and debt collection.
- (7) To consider and approve a by-law to give effect to this policy.

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- (8) To revise the budget should the targets of the Municipality for customer care and management, credit control and debt collection not be met.
- (9) To take disciplinary and/or legal action against Councillors, officials and service providers who/which do not execute the policies and by-laws of the Municipality, or act improperly in terms of such policies and by-laws.
- (10) To delegate the required authority to monitor and enforce this policy to the Executive Committee, Municipal Manager and Chief Financial Officer of the Municipality, as may be required in terms of section 59 of the Systems Act.
- (11) To ensure sufficient capacity within the Directorate: Finance, for the implementation of this policy by the Municipality or to appoint a service provider to execute certain functions in terms of this policy.
- (12) To assist the Municipal Manager in the execution of his/her duties, if and when required.
- (13) To provide funds for the training of staff.
- (14) To monitor the performance of the Executive Committee regarding its role in credit control and debt collection, supervising the implementation and enforcement of this policy and the Credit Control and Debt Collection By-Law.

8. DUTIES AND FUNCTIONS OF COUNCILLORS AND EMPLOYEES OF THE MUNICIPALITY

- (1) To hold regular ward meetings to discuss matters relating to debt collection and credit control.

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- (2) To adhere to and convey the policies of the Municipality to customers.
- (3) To adhere to the Code of Conduct for Councillors as set out in Schedule 1, and the Code of Conduct for Municipal Staff Members as set out in Schedule 2 to the Municipal Systems Act.
- (4) To give inputs regarding applications to be registered as a Registered Indigent and related matters.
- (5) To treat all customers with dignity and respect at all times.
- (6) To exercise their duties in a honest and transparent manner.
- (7) To ensure the proper functioning of the ward committee system.
- (8) To address any unacceptable level of indebtedness within his/her ward as advised from time to time by the Executive Committee, and the Councillor concerned:
 - (a) must without delay convene a meeting of the ward committee and report the matter to the committee or meeting for discussion and advice; and
 - (b) make appropriate recommendations to the Executive Committee.

9. DUTIES AND FUNCTIONS OF EXECUTIVE COMMITTEE

- (1) To ensure that the budget of the Municipality, cash flow and targets for debt collection are met and enforced in terms of this policy.
- (2) To monitor the performance of the Municipal Manager in the implementation and enforcement of this policy.
- (3) To review and evaluate this policy and the Credit Control and Debt Collection By-Law of the Municipality in order to improve the efficiency of the customer care and management, credit control and debt collection procedures, mechanisms and processes of the Municipality.
- (4) To report to the Council on the above referred to matters at intervals of 3 (three) months.

10. DUTIES AND FUNCTIONS OF THE MUNICIPAL MANAGER

- (1) To implement a sustainable and proficient customer care management system.
- (2) To implement this policy effectively and efficiently and to utilise the delegation system of the Municipality as provided for in terms of the provisions of section 59 of the Systems Act, to do so.
- (3) To implement and maintain an appropriate accounting and credit control system.

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- (4) To bill customers by delivering statements.
- (5) To demand payments of statements by not later than the payment date.
- (6) To levy interest and collection fees on arrears.
- (7) To appropriate payments received.
- (8) To collect arrears.
- (9) To provide different payment methods to customers and debtors.
- (10) To determine, execute and enforce customer care and management and credit control and debt collection measures.
- (11) To determine all relevant work procedures for, *inter alia*, public relations, arrangements, the dealing with disputes declared in terms of the provisions of section 102(2) of the Systems Act, the disconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- (12) To instruct the attorneys of the Municipality to proceed with legal processes.
- (13) To set performance targets for staff.
- (14) To determine control and performance procedures.

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- (15) To monitor and enforce the performance of contracts with service providers who render services to the Municipality pertaining to credit control and debt collection as envisaged in terms of the provisions of section 116(2) of the MFMA.
- (16) To report to the Executive Committee as required in terms of the provisions of section 100(c) of the Systems Act.
- (17) To appoint staff to execute and enforce the provisions of this policy and the by-laws executed in terms of this policy.
- (18) To delegate certain functions to heads of departments /or may delegate authority in this regard to the Chief Financial Officer.

11. DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

- (1) Members of the community, ratepayers and residents have the duty to comply with the provisions of sections 5(2) of the Systems Act.
- (2) To pay rates, levies, fees, charges and duties levied by the Municipality on or before the payment date in respect of all services consumed.
- (3) To obtain a duplicate statement at the help desk of the Municipality where a statement has not been furnished by the Municipality.
- (4) To notify the Municipality when municipal services are no longer required at a property(ies), and of any address or contact detail changes of the consumer.

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- (5) To safeguard and maintain service meters in a readable condition and to notify the Municipality immediately in the event that any meter is no longer accurate or functioning correctly.
- (6) To observe and comply with the mechanisms, processes and policies of the Municipality in exercising their rights.
- (7) To allow municipal officials reasonable access to their premises or property to execute any required functions regarding the municipal services including the reading of meters measuring consumption.
- (8) To comply with the by-laws and other legislation of the Council of the Municipality.
- (9) To refrain from tampering with municipal services, equipment and/or property of the Municipality and not to consume any municipal services unlawfully.
- (10) To comply with the obligations, duties, terms and conditions in terms of which the Municipality provides municipal services.

CHAPTER 3**PERFORMANCE EVALUATION AND REPORTING**

12. TARGETS AND PERFORMANCE OBJECTIVES

The Council, in consultation with the Municipal Manager, must establish a mechanism to set targets for debt collection, customer care and management and administrative performance, evaluate performances and take corrective actions on a regular basis to enhance credit control and debt collection.

13. INCOME AND COLLECTION TARGETS

The Council must set targets for the reduction of unpaid amounts for rates, fees, charges, tariffs and the consumption of municipal services, the increase of payments, the collection of arrears and the effective administration of accounts for these charges and the collection of the amounts due in terms of such statements, on or before the payment date as set out in such statements.

14. CUSTOMER SERVICE TARGETS

The Municipality has identified the following customer-targets and the Municipality sets as its aim the compliance with these targets.

(1)	Response time to a consumer on queries and service complaints:	Provide a reference number and acknowledge receipt within 7 (seven) days.
(2)	Resolution of/or response to queries and service complaints:	14 (fourteen) days from acknowledgement of receipt as referred to above, to resolve and/or respond to queries and service complaints.

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(3)	Dealing with a dispute duly declared in terms of section 102(2) of the Systems Act:	As per the various time frames stipulated in this policy.
(4)	Date of delivery of first statement to new customers:	By the first billing cycle after date of conclusion of a services agreement.
(5)	Reconnection time for municipal services which have been disconnected or suspended:	Within 24 (twenty four) hours after payment/arrangement acceptable to the Municipality has been made.
(6)	Meter reading cycle:	Meters should be read on a monthly basis.
(7)	Applications to be recognised as Registered Indigents:	Within the first billing cycle response for approval or disapproval, as well as provision of subsidy.
(8)	Debt turnover ratio:	90 (ninety days) days.

15. ADMINISTRATIVE PERFORMANCE

The Council of the Municipality must set targets for the collection of debt and the application of debt collection mechanisms, based on the following principles:

- (1) Debt collection must be prompt, efficient and cost effective, based on the following principles:
 - (a) the cost of the collection should not exceed the capital debt amount and recoverable charges and interest;
 - (b) the cost of the collection must be recovered from the defaulting customer; and
 - (c) reasonable steps must be taken to limit the cost of debt collection to the Municipality provided that the limitation on costs for debt collection does not hamper the prompt and efficient collection of the debt.

- (2) Queries and disputes must be promptly addressed and disposed of.
- (3) The debt collection mechanisms, as provided for in this policy must be applied without favour, consistently and equally against all debtors.

16. REPORTING

- (1) The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Committee, as supervisory authority in terms of the provisions of section 99 of the Systems Act, read with the provisions of section 100(c).
- (2) The report contemplated in sub-paragraph (1) above must contain particulars on:
 - (a) debt collection and cash collection statistics, showing detailed debt collection information, high level debt recovery information (numbers of customers, number of enquires and disputes, arrangements for the payment of debt, the arrears showing the different stages of maturity of debt). Where possible, the statistics should be divided into the following categories: wards, business (commerce and industry), domestic, state, institutional and other such divisions as required by from time to time by the Municipal Manager; and
 - (b) performance on all areas against targets agreed to in this policy.
- (3) If in the opinion of the Chief Financial Officer, the Municipality will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by the Council, the Chief Financial Officer will report this (with motivation), to the Municipal Manager who will, if he/she agrees with the Chief

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Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.

- (4) The Executive Committee, as supervisory authority, shall, at intervals of 3 (three) months, report to the Council in terms of the provisions of section 99(c) of the Systems Act.

CHAPTER 4

CUSTOMER CARE AND MANAGEMENT

17. CUSTOMER CARE AND MANAGEMENT PRINCIPLES

The Municipality must manage its interaction with its customers in a responsible and pro-active manner with the aim of enhancing the payments for rates, fees, charges, tariffs and the consumption of municipal services, the reduction of arrears and to create a positive and co-operative relationship between the customer or consumer and the Municipality, and where applicable, a service provider.

18. COMMUNICATION

- (1) The Municipality must publish the annual budget of the Municipality in terms of the provisions of section 22 of the MFMA and regulation 18 of the Municipal Budget and Reporting Regulations which will include the rates, fees, charges and tariffs the Municipality intends to adopt and has in fact adopted.
- (2) This policy must be available in English and be made available by general publication and on specific request, and must also be available for perusal at the offices of the Municipality. This policy is also a “budget related policy” as contemplated in terms of the provisions of section 17(3)(e), section 21(1)(a) and 21(1)(b) of the MFMA and regulation 7 of the Municipal Budget and Reporting Regulations.
- (3) Ward Councillors will be required to hold regular ward meetings, at which customer care and debt collection issues must be given prominence.

- (4) On approval of this policy, a comprehensive communication plan will be devised and implemented in order to inform customers of the provisions of this policy in respect of incentives, payment terms and arrangements in conjunction with the ward committees.

19. PROVISION OF MUNICIPAL SERVICES TO CUSTOMERS, MUNICIPAL SERVICE AGREEMENT AND CUSTOMER REGISTRATION

- (1) Within the limits of its resources, municipal services will be provided by the Municipality to consumers, who are the owners of the premises to which the municipal services are provided or relate or in exceptional circumstances a tenant, and who have applied by way of the official application form for such services to be provided to the said premises indicated on the application form (as per Schedule 1 to this policy) and whose application was, in the discretion of the Municipality, approved by the Municipality. The approval of the application by the Municipality will constitute a service agreement between the Municipality and the consumer, and constitute the opening of the account for the consumer. Once a consumer's application is approved, the consumer becomes a customer. The service agreement so concluded between the Municipality and the customer, together with the provisions of this policy and the applicable By-Laws of the Municipality shall in all respects govern the supply of the municipal services to the customer and the supply of the municipal services to the customer will at all times be subject to and provided in accordance with and upon the condition stipulated in the said agreement, policy and by-laws.
- (2) The Municipality accepts that it has limited resources which in turn limit the nature and extent of municipal services that can be provided. The Municipality, having due regard to the Legislative Framework within which it operates, must endeavour to increase payments, reduce arrears and to extend the services it can provide. That said, the Municipality can only provide services within its ability and available resources.

- (3) The Municipality is in the process of phasing out the practice of opening accounts and concluding service agreements with accounts opened and service agreements concluded in the past for persons that do not fall within the definition of “customer”, as set out in this policy. Such accounts will be closed and phased out upon the termination of the service agreement to which the account relates. However, these accounts are still valid and persons with whom the Municipality concluded service agreements, and for whom the accounts were opened in the past, will have the rights extended in this policy to a customer, and such persons will for all intents and purposes be considered as “customers” in terms of this policy.
- (4) No new accounts will be opened and no service agreements concluded by the Municipality with persons who do not qualify as a “customer”, as defined in this policy. The Municipality however reserves the right to make an exception to this provision in this policy should a person who does not qualify as a “customer” in terms of this policy, satisfies the Municipality that there are exceptional circumstances requiring the status of “customer” to be extended to that person. A further exception to the afore referred to provision pertains to persons who apply to the Municipality to become a Registered Indigent, in terms of the Indigent Policy of the Municipality, for which applications the following conditions apply:
- (a) the applicant for the indigent support must be:
- (i) the holder of an account with the Municipality for the provision of municipal services to the premises referred to in sub-paragraph (a) above, who has concluded a service agreement with the Municipality, as referred to above; or
- (ii) in an instance where the applicant for the indigent support is not the holder of an account and has not concluded a service agreement with the Municipality, as required by sub-paragraph (i) above: the applicant must:

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- (aa) be the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or
- (bb) be the party to whom the residential property is awarded in the event of a divorce; or
- (cc) be, where a deceased estate has not been wound up:
 - (aaa) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or
 - (bbb) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or
 - (ccc) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or
 - (ddd) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate;
- (dd) submit, simultaneously with the application for indigent support in terms of the Indigent Policy, an application for the provision of municipal services as referred to above, applying to the Municipality to be granted an

account and to conclude a service agreement with the Municipality; and

- (b) the total household income of all the household occupants in the indigent household (a household headed by a Registered Indigent as defined and contemplated in terms of the Indigent Policy of the Municipality) above the age of 18 (eighteen) years on the residential property, may not exceed the amount as determined by Council from time to time. This amount will be determined at the beginning of every financial year and will be applied for the duration of that particular financial year. Currently the income amount is deemed to be less or equal to the amount received by two state pensioners as determined annually by the Minister of Finance; and
- (c) the premises to which the municipal services are rendered (or to be rendered) or relate must be a “residential property”, as classified in terms of the categories of properties in terms of the provisions of the Rates Policy and By-Law of the Municipality, and must be utilised solely for residential purposes, as well as situated within the municipal area of the Municipality; and
- (d) the applicant may not be the registered owner of more than one immovable property nationally and internationally; and
- (e) be a full-time occupant of the residential property or where the registered owner is unable to occupy the property due to no fault of such registered owner, the spouse or minor children may satisfy the occupancy requirement; and
- (f) where applicable, must have a prepayment electricity meter, a water management device or a prepayment water meter installed.

(5) Any person who consumes or utilises any municipal services without entering into a service agreement with the Municipality and or who does not have an account for such services, shall be liable for the rates, fees, charges and tariffs relating to such municipal services, the Municipality shall ensure that a service

agreement is entered into and such contract provides for a deposit to be paid as security.

(6) Where any premises and/or consumer is provided with municipal services or municipal services are consumed or utilised at the premises and/or by the consumer, a service agreement shall be concluded between the Municipality and the consumer and/or owner of the premises on the terms prevailing at the time and the owner of the premises will be billed and be liable for payment of the fees, charges and tariffs relating to such municipal services.

(7) The municipal services will only be provided by the Municipality to a customer under and upon the following conditions:

- (a) Where the services are services that a municipality can provide and to the extent that the ability and resources of the Municipality allow the provision of such services.
- (b) On approval by the Municipality of the written application for the municipal services which has been made on the prescribed form attached hereto as Schedule 1.
- (c) The information and documentation required by the Municipality being furnished to the Municipality to its satisfaction.
- (d) The amount of the deposit as prescribed in terms of this policy being paid to the Municipality, if any, and deposited as security, or any other acceptable security, in the sole discretion of the Municipality, having been furnished to the Municipality.
- (e) The applicant is an owner as defined in this policy or a holder of an account as contemplated in this policy.
- (f) If the customer is an existing customer of the Municipality and any amount in respect of any rates, tariffs, fees, levies, municipal services, surcharges on such rates, fees, charges, tariffs, levies and interest which has accrued on any amounts due and payable in respect of the

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aforegoing and any collection charges in respect thereof, is in arrears, then:

- (i) such arrears must be paid; or
 - (ii) an agreement for payment of the arrears in terms of this policy must have been entered into and payment in terms thereof must not be in arrears.
- (g) The Municipality has verified through its billing system that the customer does not have an outstanding account in respect of any rates or municipal services relating to any other premises or accounts.
- (h) The customer does not have an adverse credit record at any credit bureau.
- (8) The application form with which a customer applies to be provided with municipal services must at least contain the following information:
- (a) confirmation by the customer that the customer is aware of and understands the contents of the form;
 - (b) acceptance by the customer of the provisions of the by-laws relating to the provision of the municipal services and acceptance of liability for the cost of the said services rendered until the service agreement is terminated or until such time as any arrears have been paid;
 - (c) name and full details of the customer;
 - (d) address and stand/ erf number of premises to or on which the municipal services are to be rendered;
 - (e) address where the statement must be sent;
 - (f) extent and source of income of the customer;
 - (g) name and address of the applicant's employer, where appropriate;
 - (h) the purpose for which the municipal services will be supplied;

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- (i) the date on which the customer requires provision of the municipal services;
 - (j) an undertaking by the customer:
 - (i) that the customer is liable for the costs of debt collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees; and
 - (ii) that any alleged non-receipt of an statement does not exempt the customer from the duty to enquire from the Municipality as to the outstanding debt on the statement and to make payment to the Municipality of the debt;
 - (k) the type of municipal services to be supplied to the customer.
- (9) When a customer makes application to the Municipality for the provision of municipal services, the Municipality must inform the customer of the different levels of services available and the tariffs and/or charges associated with each level of service and, where applicable, different metering options.
- (10) The Municipality must ensure that the registration of new and existing customers is efficiently performed in regard to the following:
- (a) new customer registrations must be correctly administered with the fully completed application form being duly signed by the customer and upon approval by the Municipality, duly countersigned by the Municipality;
 - (b) these service agreements must be retained and be readily accessible to authorised persons and employees of the Municipality only;
 - (c) the employees of the Municipality with customer contact must endeavour to update personal records of customers whenever customers liaise with the Municipality.

- (11) A customer may at any time apply to the Municipality, in writing, to alter the level of municipal services elected in terms of the service agreement entered into, provided that such services are available and that any costs and expenditure associated with altering the level of services will be payable by the customer.
- (12) A customer shall be liable for the payment of prescribed tariffs, fees, levies, municipal services consumed and surcharges on such, fees, charges, tariffs, levies and interest which has accrued on arrears and any debt collection charges in respect thereof.
- (13) If the Municipality declines an application for the provision of municipal services or is unable to render such municipal services on the date requested for the provision of such municipal services to commence, or is unable to render the municipal services, the Municipality will inform the customer of such refusal and/or inability, the reasons therefore and, if applicable, when the Municipality will be able to provide such municipal services.
- (14) The Municipality may, if circumstances require, enter into a special service agreement for the provision of municipal services without requiring the customer to which such municipal services are to be rendered to submit an application form and upon different terms and conditions than those stipulated in the service agreement annexed hereto as Schedule 1, provided that such a special service agreement does not amount to unfair discrimination against customers of whom it is required to apply for the provision of municipal services as set out in Schedule 1, especially if the rendering of the municipal services warrants or requires the imposition of conditions not contained in the prescribed form.

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- (15) An application for the provision of municipal services for a period of less than one year shall be regarded as an application for a temporary supply of such services and shall be considered at the discretion of the Municipality, which may specify any special conditions to be satisfied in such case.
- (16) When the application for the provision of municipal services relates to the supply of electricity, the application must be processed and if approved the municipal service of electricity must be available within the periods stipulated in NRS 047-1:2005, Edition 3, Electricity Supply Quality of Service.
- (17) The Municipality may, if it deems necessary, require a third party to be bound jointly and severally as surety and co-principal debtor with the consumer for the payment of any prescribed levies, fees, charges and tariffs under these By-Laws.
- (18) Municipal services shall be paid for by the consumer at the prescribed tariff or charge set out in the Tariff Policy of the Municipality and the accompanying Tariff Schedule thereto.
- (19) If a customer uses a municipal service for a category or usage type other than that for which it is provided by the Municipality in terms of the service agreement with the customer, and as a consequence, is charged at a rate lower than the rate which should have been charged, the Municipality may make an adjustment of the amount charged in accordance with the rate which should have been charged and recover from the customer according to the tariffs and charges payable in accordance with such adjustment and may also review the amount of the deposit held in terms of this policy.

- (20) If amendments to the prescribed tariff or charges formulated in terms of the Tariff Policy for municipal services provided, become operative on a date between measurements for the purpose of rendering a statement:
- (a) it shall be deemed that the same quantity of municipal services was provided for in each period of twenty four hours during the interval between measurements;
 - (b) any prescribed tariff or charge shall be calculated on a pro rata basis in accordance with the tariff or charge that applied immediately before such amendment; and
 - (c) any fixed charge shall be calculated on a pro rata basis in accordance with the charge that applied immediately before such amendment and such amended change.
- (21) Where municipal services used by a consumer are charged at different tariff rates, the consumption shall be metered separately for each rate.

20. DEPOSIT

- (1) At the time when the consumer makes written a application to the Municipality applying for the provision of municipal services by the Municipality to a property, as set out and regulated in terms of the this policy, the consumer shall upon the approval of the application become a customer and shall first pay to the Municipality the deposit as set out in this policy, read with the Tariff Schedule, before such municipal services will be provided by the Municipality. In some instances no deposit will be payable as set out in die Tariff Schedule.
- (2) The amount of the deposit in respect of a municipal account of a customer is calculated as set out below, and if the amount cannot be calculated the amount as set out in the Tariff Schedule, which may vary according to different categories of consumers, debtors, service providers, services, service

standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination, and shall be determined by the Municipality in accordance with the Tariff Policy, this policy, any applicable by-laws of the Municipality and/or resolutions of the Council.

The Deposits applicable are:

(a) Residential/Domestic-R2 500.00

(b) Business/Commercial-R12 500.00

(c) Industrial-R30 000.00

(d) Institutional-R30 000.00

(e) State Owned Property-R30 000.00

(f) Public Service Infrastructure-R10 000.00

(g) Special Category-R5 000.00

(3) The deposit is payable only in cash or a bank guarantee for domestic consumers. Deposits that are paid will only be refunded at the closure of the account. This will only be done when all amounts that are due to the Municipality at such a date is settled in full.

(4) The paying of a deposit is also required in the instance where the municipal services of water and electricity are provided by means of a prepayment meter system as provided in this policy.

(5) The deposit shall be used as security for payment of any service charges which are due or may become due to the Municipality arising out of the provision of municipal services, or the payment of any amount the customer may be liable for to the Municipality, or for any damage to equipment of the Municipality.

- (6) The Municipality may increase a deposit payable in respect of an arrear account as may be determined annually by the Council in terms of the Tariff Schedule of the Municipality.
- (7) The deposit shall, after the disconnection of a customer service in terms of this policy by the Municipality, be automatically increased to an amount as determined annually by the Council in terms of its Tariff Schedule for disconnected accounts. The deposit shall be adjusted upwards in terms of this paragraph notwithstanding that the customer is also liable for a service reconnection fee. The Municipality may in case of disconnection of an unpaid arrear account, allocate the deposit to the arrear account and the new increased deposit must be paid before the municipal service is reconnected.
- (8) The Municipality may also increase a deposit payable in respect of municipal services if the consumer uses the municipal service for a different usage type as for which the municipal services were provided for by the Municipality and as applied for.
- (9) The Municipality will not pay any interest to a customer on the deposit made by a customer and held by the Municipality.
- (10) Upon the termination of the service agreement between the Municipality and a customer the deposit paid by a customer will be offset against any and all arrears or other outstanding amounts or balances owed to the Municipality. The balance of such a deposit will be refunded to the customer in terms of this policy.

- (11) The different deposits provided for in terms of this paragraph will be reviewed annually both in terms of this policy and in terms of the Tariff Schedule. The Municipality shall maintain a register of deposits for this purpose. The total sum of deposits received shall constitute a short term liability in the books of account of the Municipality.
- (12) The Municipality may require a customer to whom municipal services are provided, and who was not previously been required to pay a deposit, for whatever reason, to pay a deposit on request, within a specified period.
- (13) A deposit shall be forfeited to the Municipality if it has not been claimed within 12 (twelve) months of the termination of the service agreement.
- (16) The payment of a deposit shall not be regarded as being a payment or part payment of any accounts due for the supply of municipal services for the purposes of obtaining any discount provided for in the Tariff Policy.
- (17) For the purposes of the implementation of the Indigent Policy of the Municipality and the rendering of indigent support to Registered Indigents, accounts will be opened for Registered Indigents without requiring the payment of 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 subsidy. This arrangement will immediately terminate if the status of the Registered Indigent changes.

21. METERING

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- (1) The Municipality shall at the customer's cost, in the form of a direct charge or prescribed fee, or if and when the Municipality so decides at the Municipality's cost, provide, install and maintain appropriately rated metering equipment, installed at the point of delivery/metering, for measuring the municipal services delivered to a premises. The metering device shall be provided and installed by the Municipality and shall at all times remain the property of the Municipality irrespective of the manner in which it is attached or installed in or on the premises.
- (2) The Municipality will endeavour, within its financial capabilities, to ensure accurate meter reading and/or measuring of consumption at fixed monthly intervals with the minimum delay between the connection of the municipal services and the first and subsequent billing, except in the case of prepayment meter system. The consumption in respect of the municipal services shall be determined by the reading of the appropriate meter or meters, and read at the determined monthly intervals except in instances where consumption shall be estimated in terms of this policy.
- (3) Nothing contained in this policy shall be construed as imposing on the Municipality an obligation to cause any meter or measuring device installed by the Municipality on any premises to be measured or read at the end of a month or any other fixed period, and the Municipality may estimate the quantity of municipal services supplied over any period during the interval between successive measurements of the meter and render a statement to a consumer for the quantity of service so estimated.
- (4) For the purposes of determining the consumption of the municipal services by a consumer, having regard to the metering system, it will be deemed unless the contrary is proved, that:

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- (a) the consumption is represented by the difference between the measurements taken at the beginning and at the end of a given period;
 - (b) the measuring device or meter was accurate during such period;
 - (c) the readings and/or entries in the records of the Municipality were correctly made;
 - (d) provided that if municipal services are supplied or taken by a consumer without it passing through the meter, the estimate of the Municipality of the consumption of the service consumed, shall be deemed to be correct; and
 - (e) regarding electricity meters, a meter shall be conclusively presumed to be registering accurately if it satisfies the requirements prescribed in NRS 057 Part 3 – Electricity Metering: Minimum Requirements.
- (5) In the following instances the Municipality will be allowed to utilise estimate consumption for billing purposes:
- (a) if the Municipality is, for whatsoever reason and irrespective of whether it is due to the fault of the consumer, or the Municipality, not able to read any meter;
 - (b) if the meter is defective or becomes inaccurate or defective, and an adjustment is required to be made;
 - (c) where a consumer vacates premises and a final reading is not possible;
 - (d) where municipal services supplied by the Municipality to any premises is in any way taken by the consumer without such service passing through any measuring device, for the period from the last previous reading of the meter until the date it is discovered that the municipal services are being used by the consumer without such services passing through the said meter;

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- (e) in the event of any unauthorised activity taking place pertaining to a measuring device or meter or municipal services as referred to in the provisions of this policy dealing with unauthorised activities, theft, fraud and tampering; and
 - (f) before a meter or measuring device is installed.
- (6) An estimate, as referred to above, shall be based on any one of the following criteria, as the Municipality may decide, taking into account, where applicable and making allowance for seasonable or other variations which may affect the consumption of the municipal service:
- (a) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to the premises during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period prior to the date on which the estimate is required;
 - (b) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to the premises during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period after the date on which the estimate is required;
 - (c) the average daily or monthly consumption (depending on the requirement of the estimate) of municipal services to premises or several premises, which are comparable in size, nature and use to the premises for which the estimate is required, during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period prior to the date on which the estimate is required;
 - (d) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to premises or several premises, which are comparable in size, nature and use to the premises for which the estimate is required during any 3 (three) days

or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period after the date on which the estimate is required;

- (e) in instances where a meter was found to be defective or incorrectly measuring, or tampered with to give an inaccurate reading of the quantity of municipal services, the percentage error or inaccuracy of the meter as determined;
 - (f) in instances where no meter or measuring device has been installed, the estimated consumption shall be based on the average consumption of the municipal service to the immediate area in which the premises are situated;
 - (g) any such consumption or other data in the possession of the Municipality which can assist the Municipality in arriving and making an estimate.
- (7) In instances where a consumer is charged and/or liable toward the Municipality for the payment of municipal consumption charges based on estimated consumption as contemplated in this policy, the statement reflecting the estimated consumption will be adjusted to reflect actual consumption once the Municipality is able to obtain the actual reading of the meter concerned.
- (8) Where the consumer requires a special reading, the Municipality must on receipt of a written notice from a consumer, of not less than 14 (fourteen) days notice and subject to the payment of the prescribed charge, measure the quantity of municipal service supplied to a consumer at a time or on a day other than that upon which it would normally be measured.
- (9) A consumer is entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof. This request must be made as a query in terms of the procedure prescribed in this policy.

- (10) The Municipality will inform a customer when a meter replacement is to be made.
- (11) The consumer shall at all times during the business hours between 8am and 5pm ensure that the Municipality has free and undisturbed access to metering equipment and the consumer shall accept any cost occasioned to permit such access including the cost of relocating any meter, if necessary.
- (12) The following provisions will apply to the testing of meters:
- (a) a meter shall be conclusively presumed to be registering accurately when it is tested and found to be within the limits of error as provided for in the applicable standard specifications for such a meter;
 - (b) the Municipality shall have the right to test its metering equipment. If it is established by test or otherwise that such metering equipment is defective or inaccurate, the Municipality shall:
 - (i) in the case of a conventional meter, adjust the statement rendered;
 - (ii) in the case of prepayment meters:
 - (aa) render a statement where the meter has been under-registering; or
 - (bb) issue a free token where the meter has been over-registering;
 - (c) the customer shall be entitled to have the metering equipment tested by the Municipality on payment of the prescribed fee and by way of lodging a query as provided for in this policy with the Municipality querying the accuracy of the measuring device or meter. If the metering equipment is found not to comply with the meter accuracy requirements, applicable to the relevant meter, an adjustment to the

customer's account shall be made and the aforesaid fee shall be refunded;

- (d) when a customer requires the accuracy of a measuring device or meter to be tested or verified the Municipality shall inform the customer of the prescribed range of accuracy applicable for the measuring device or meter as well as the cost implications, or estimated cost implications, occasioned by the testing or the measuring device or meter;
- (e) a consumer is entitled, on giving the Municipality reasonable notice of the consumer's intention, to be present at the testing of any meter in which the consumer is interested;
- (f) a customer shall have the right, at his own cost, to have the metering equipment tested by an accredited independent testing authority approved by the Municipality [and the result of such test shall be final and binding on both parties];
- (g) meters shall be tested in the manner as provided for in the applicable standard specifications for the specific meter, or where the meter is a water meter, the meter must conform to the specifications as prescribed in terms of the Water Services Act, Act 108 of 1997 and where the measuring device or meter is:
 - (i) a meter to which regulations relating to water meters published under the Trade Metrology Act, Act 77 of 1973 are applicable, it will be deemed to be defective if, when tested in accordance with SABS Code 1529 Part 1, it is found to have a percentage error in over-registration or under-registration greater than that permitted for a meter in use in terms of that specification;
 - (ii) a meter of a size greater than 100mm diameter but not exceeding 800mm diameter to which the specification referred to sub-paragraph (12)(g)(i) is not applicable, it will be deemed to be defective, when tested in accordance with SABS Code

1529 Part 4-1998 if it is found to have a percentage error in over-registration or under-registration greater than permitted by a meter in terms of that specification;

- (iii) a prepayment water measuring system, it shall be deemed to be defective if, when tested in accordance with SABS Code 1529 Part 9 – 2002, it is found to have a percentage error in over-registration or under- registration greater than that permitted in terms of that specification;
- (h) the Municipality’s finding as to the accuracy of a meter, after testing has been carried out, shall be final;
- (i) the Municipality shall before removing a meter for testing take a reading of the meter and the current meter reading period shall be terminated at the time of the taking of such a reading;
- (j) if after testing a meter the Municipality is satisfied that the meter is not registering correctly, it shall render the consumer an adjusted statement as referred to above;
- (k) if the outcome of any test shows that a measuring device or meter is:
 - (i) within a prescribed range of accuracy, the consumer will be liable for the costs of such test and any other amounts outstanding. Such costs may be debited against the customer’s account to which the measuring device or meter relates;
 - (ii) outside a prescribed range of accuracy, the Municipality will be liable for the costs of such test and the consumer must be informed of the amount of any credit to which the consumer is entitled;
- (l) if the measuring device or meter is found to be defective, the Municipality must:
 - (i) repair the measuring device or meter or install another device which is in good working order, without charge to the

customer, unless the costs thereof are recoverable from the customer due to the measuring device or meter being tampered with; and

- (ii) determine the quantity of municipal service for which the customer will be charged in lieu of the quantity measured by the defective measuring device or meter by making an estimate as provided for in this policy;
 - (m) any meter removed for testing by the Municipality must be retained intact and be available for inspection for a period of 3 (three) months after testing.
- (13) The Municipality will allow readings of meters taken by consumers and submitted either telephonically, by fax or personally under the following conditions:
- (a) provided the Municipality may obtain readings at any point in time to verify readings taken by the consumer, and in particular that the Municipality obtains any final reading should the consumer furnish the Municipality with a termination notice or move to another supply address;
 - (b) an audit reading during the normal reading cycles shall be obtained by the Municipality once every 6 (six) months;
 - (c) the Chief Financial Officer may, however cancel the voluntary reading convenience on any customer's account if the consumer fails to ensure that the audit reading referred to in above is obtained or should the consumer fail to render readings on 2 (two) consecutive occasions.
- (14) The Municipality reserves the right to meter the supply of municipal services to shops and flats, tenement houses, sectional titles and similar buildings for the buildings as a whole or for individual units or for groups of units.

- (15) The Municipality may require the installation at the customer's expense of a measuring device or meter to each dwelling unit, in separate occupancy, on any premises, for use in determining the quantity of municipal services supplied to each such unit provided that where fixed quantity delivery systems are used, a single measuring device may be used to supply more than one unit.

22. PRE-PAYMENT METER SYSTEM

All conventional meters(electricity) in the Municipality be converted to prepaid meters.
(Cost to be borne by Council).

The Municipality may avail the municipal services of water by means of a pre-payment metering system to which the following provisions apply:

- (a) no refund of the amount for which the customer purchased prepaid municipal services (water and electricity) previously shall be given at the point of sale;
- (b) when a customer vacates any premises where a pre-payment meter is installed, no refund for the credit remaining in the meter shall be made to the customer by the Municipality;
- (c) the Municipality shall not be liable for the reinstatement of credit in a pre-payment meter lost due to tampering with, or the incorrect use or the abuse of, pre-payment meters and/or tokens;
- (d) the Municipality may appoint vendors for the sale of credit for pre-payment meters and shall not guarantee the continued operation of any vendor services;
- (e) where a customer is indebted to the Municipality for municipal services consumed or for any other service supplied by the Municipality, including rates, or for any tariff, fees or charges previously raised against the customer in connection with any service rendered, the

Municipality may deduct a percentage from the amount tendered to purchase prepaid services to offset the amount owing to the Municipality, which percentage will be set out in the Tariff Schedule; and

- (f) the provisions relating to Metering and the Limitation, Disconnection and Termination of the Municipal Services of Water and Electricity, as set out in this policy, apply *mutatis mutandis* to prepayment metering system.

23. STATEMENTS AND BILLING

- (1) Customers who concluded a service agreement with the Municipality and/or who are liable to pay property rates to the Municipality, will receive a statement, at such applicable time in the billing cycle, which reflects the amounts due and payable to the Municipality for tariffs, fees, charges, the consumption of municipal services and/or property rates.
- (2) The customer shall be liable for the payment of all rates, tariffs, fees, charges and the consumption of municipal services as levied and charged in terms of the prescribed Rates Policy, Tariff Policy, Tariff Schedule and applicable by-laws of the Municipality.
- (3) The Municipality may, in addition to the charges levied for municipal services consumed or provided, levy a monthly fixed charge, annual fixed charge or once-off fixed charge in respect of the provision of municipal services in accordance with the Tariff Policy, Tariff Schedule and applicable by-laws of the Municipality.

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- (4) Where a fixed charge is levied as referred to above it shall be payable by every customer irrespective of whether such municipal services are used or accessed by the customer.
- (5) A statement will be furnished in accordance with the applicable billing cycle and the due date for the payment of the statement will be stated on the statement.
- (6) A statement will be furnished in accordance with the applicable billing cycle at the last recorded address of the customer with the Municipality.
- (7) It is the responsibility of a customer to ensure that the postal and/or physical address of such customer, where such customer wishes to receive the statement, and other contact details of such customer are correct and up to date in respect of the records thereof with the Municipality. Any incorrect or outdated information does not excuse any customer from the duty and obligation to make payment to the Municipality of the amount due to the Municipality by such customer.
- (8) It is the customer's responsibility to make enquiries and ensure timeous payments in the event of statements not being received and such receipt of the statement is not a precondition to the duty and responsibility of a customer to effect payment thereof to the Municipality.
- (9) Where a statement is not paid in full, any lesser amount tendered and accepted by the Municipality, shall not be deemed to be in full and final settlement of such statement and acceptance shall be without prejudice to any of the rights of the Municipality.

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- (10) Where any payment made to the Municipality by negotiable instrument and such negotiable instrument is subsequently dishonoured by a bank, the Municipality:
- (a) may recover the average bank charges incurred relating to dishonoured negotiable instruments against the account of the customer;
 - (b) shall regard such an event as a default on payment and will be entitled to utilise debt collection mechanisms as provided in this policy and to levy the relevant costs thereof against the customer's account;
 - (c) may insist on cash payments for all future statements; and
 - (d) may hand such customer over to the legal representatives of the Municipality for further legal action.
- (11) A customer is entitled to request a duplicate statement from the Municipality at the cost of such customer.
- (12) The Municipality will endeavour to ensure:
- (a) accurate monthly billing with the application of appropriate and correct prescribed rates, fees, levies, tariffs and service charges and other related amounts due and payable;
 - (b) the timeous dispatch of statements to all customers;
 - (c) adequate provision and efficient operation of pay facilities throughout the Municipality;
 - (d) arrangements with third party institutions to accept payments on behalf of the Municipality. The responsibility to ensure that payments are reflected on the account however remains vested with the customer;
 - (e) appropriate hours of business to facilitate account payments;
 - (f) credit timeously any payment against the correct customers account;

- (g) to provide easily understandable statements this will contain the following information:
- (i) the consumption or estimated consumption of municipal services as determined for the measuring or consumption period;
 - (ii) the measuring or consumption period for municipal services;
 - (iii) the amount due based on the measured or estimated consumption;
 - (iv) the amount due and payable for property rates levied, fees, levies, tariffs and charges for municipal services rendered or fixed in terms of this policy;
 - (v) the amount in arrears, if any, and a notification that the Municipality shall be entitled to limit, disconnect or terminate the municipal services of water and electricity should the account remain in arrears;
 - (vi) the interest payable on any arrears, and collection charges in so far as they may be relevant;
 - (vii) the due date for payment.
- (13) The Municipality may, in the event of a customer being in arrears, convey the following information to the customer in any such manner as the Municipality deems appropriate, including incorporating same into the statement, that:
- (a) the customer may conclude an agreement as provided for in this policy with the Municipality for payment of the arrears in instalments, at the Municipality;
 - (b) if no such agreement, as envisaged above, is entered into the Municipality will be entitled to limit, disconnect or terminate municipal services;

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- (c) legal action may be instituted against any customer for the recovery of any amount in arrears and the customer will be held liable for payment of the legal costs;
 - (d) the defaulting customer's name may be listed with a credit bureau or any other equivalent body as a defaulter;
 - (e) the account may be handed over to a debt collector or attorney for collection;
 - (f) proof of registration, as a Registered Indigent, in terms of the Municipality's Indigent Policy must be handed in before the due date; and
 - (g) the municipal services may be limited, disconnected or terminated should the arrears remain unpaid.
- (14) An error or omission in any statement or the failure by the Municipality to render a statement does not relieve a customer of the obligation to pay any amount due and payable. A customer remains liable for the payment of all amounts whether a statement has been rendered or not. The onus shall be on the customer to satisfy himself/herself that the statement rendered is in accordance with the prescribed rate, tariff, levy or charge as set out in the Tariff Policy, Tariff Schedule and by-laws of the Municipality.
- (15) Payments of statements must be received on or before the due date at a Municipal pay-point by the close of business. In the case of any electronic payments or payments via agents, the money must be received in the Municipality's bank account on or before the due date and not later than close of business on the said date.
- (16) If payment of a statement is received after the due date, a late payment charge or interest as may be prescribed must be paid by the customer to the Municipality.

- (17) The Municipality may hold any amount paid by a customer which is in excess of an existing debt in credit for the customer in anticipation of future rates, fees, levies and charges that may become owing in the future.
- (18) In addition to the notices referred to in this policy, customers with large service accounts may also be managed by telephonic and personal contact directly with them.
- (19) Where a body corporate is responsible for the payment of any arrears to the Municipality in respect of a sectional title development, the liability of the body corporate shall be extended to the members thereof, jointly.
- (20) Payment/s or amounts received will be allocated by the Municipality, and irrespective of the description or allocation afforded thereto by the person effecting the payment, to the oldest debt first and thereafter to current charges in the following order:
- (a) interest;
 - (b) administration costs;
 - (c) legal and credit control charges;
 - (d) any other charges by the Municipality;
 - (e) rates;
 - (f) refuse;
 - (g) sewer;
 - (h) water;
 - (i) electricity.

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- (21) The amount due and payable on an account constitutes a consolidated debt, and any payment made of an amount less than the total amount due, will be allocated in reduction of the consolidated debt in the order specified above.
- (22) Where an account remains in arrears for more than 60 (sixty) days:
- (a) the debtor's name may be listed with a credit bureau or any other equivalent body as a defaulter; and
 - (b) the arrears may be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against the debtor.
- (23) Arrears of consumers who make no further use of, or has no further access to municipal services are considered inactive debtors who will automatically be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against such a debtor, provided that:
- (a) the amount owing on such an inactive account is more than R 500.00 (five hundred rand);
 - (b) if smaller than R500.00 (five hundred rand) then recovery of such amount due will be subject to consideration of the cost- benefit ratio and whether such action shall be taken will be in the sole discretion of the Chief Financial Officer of the Municipality.
- (24) Any consumer who is in arrears will not be allowed to submit any building plans for approval, or any applications for rezoning, consents or approvals in terms of the Municipality's Town Planning Scheme and the applicable legislation.

- (25) All information relating to accounts, statements and billing of customers are not public information and may not be disclosed by the Municipality, other than as provided for in law or in terms of the policy.

24. REFUNDS

- (1) Any customer may apply in writing for a refund of a credit balance on an account of such customer, provided that no other account of such customer, or an account regarding any premises to which the account with the credit balance of such customer relates, is payable or in arrears.
- (2) A written application for a refund should state the account number of the account on which the refund is requested, the amount of the refund, as well as the details of the bank account in which the refund should be deposited. The written application must be signed by the customer or the customer's authorised representative, in which instance the written application must be accompanied by a written power of attorney signed by the customer in terms of which the customer authorises the representative to apply for the refund on the customer's behalf.
- (3) Refund applications will be considered, verified and processed by the Municipality in terms of its internal financial and accounting procedure.
- (4) Refunds for an amount of less than R50.00 (fifty rand) will not be granted by the Municipality as the cost and administrative burden associated with effecting such refund is not administratively and cost effective to the Municipality.

- (5) The manner in which the Municipality elects to affect the refund remains in the discretion of the Municipality and may include a refund by either electronic transfer or by the issue a cheque.
- (6) A credit balance in respect of the account of a customer may be utilised to set off any arrears on any other account of such customer with the Municipality or any account regarding the premises to which the account with the credit balance of such customer relates, before the refund is effected.
- (7) The Municipality is entitled to write back or appropriate any unclaimed money arising from a credit balance of a customer, if such amount is not claimed by such customer within a period of 3 (three) years from the date upon which it became due to the customer.

25. PAYMENT FACILITIES AND METHODS FOR PAYMENT

- (1) The Municipality must operate and maintain suitable payment facilities which are accessible to all customers.
- (2) Direct or electronic payments can be made into the bank account of the Municipality.

The customer must state the account number allocated to the customer by the Municipality as the reference on the proof of payment and if payment is made in respect of more than 1 (one) account, the respective account numbers must be stated. It is and remains the duty of the customer, at the time of payment, to inform the Municipality of the details of the account(s) for which the customer affected a direct or an electronic payment into the bank account of the Municipality in order for the Municipality to be able to correctly assign the payment made by the customer.

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- (3) The Municipality may in terms of the provisions of section 103 of the Systems Act, with the consent of a customer, approach an employer to secure a debit or stop order arrangement to effect payments of the customer's account.
- (4) The use of an agent by a customer to effect payment of the debt of such customer as well as the timeous payment of such debt to the Municipality is at the sole risk of the customer.
- (5) Any direct deposits or electronic fund transfers of monies into the bank account of the Municipality, without the appropriate and correct reference details will be allocated by the Municipality to an escrow account and it will remain the responsibility of the customer who made such deposit to ensure that the payment is allocated to the account of the customer. Unclaimed funds in the escrow account will after a period of 5 (five) years be transferred to the sundry income account of the Municipality.
- (6) It will be within the sole discretion of the Municipality whether or not to accept a cheque as payment of any amount due.
- (7) Municipal payment facilities will be maintained subject to acceptable levels of activity and having regard to the operational costs thereof.
- (8) The Chief Financial Officer shall allocate payments made by the customers according to the pre-determined priorities set out in this policy.

26. INCENTIVE SCHEMES

The Municipality may, in order to encourage prompt payment by customers and/or to reward regular payments made by customers or payments made by means of debit or

stop orders or the full settlement of any arrangement for the paying off of debt in instalments, consider incentives to such customers from time to time and may enter into any arrangements available in law, including those provisions in section 103 of the Systems Act.

27. ENQUIRIES, DISPUTES AND SERVICE COMPLAINTS

- (1) The Municipality will, within its administrative and financial ability, establish:
 - (a) a central office to deal with and address enquiries, disputes and/or service complaints received from customers;
 - (b) a centralised database dealing with enquiries, disputes and/or service complaints received from customers, in order to effectively address such enquiries, disputes and/or service complaints;
 - (c) appropriate training for employees of the Municipality dealing with the public to enhance communications and service delivery and to effect the prompt and effective method for dealing with enquiries, disputes and/or service complaints; and
 - (d) a communication mechanism to provide feedback on the application of the policies on customer care and management, credit control and debt collection, enquiries, disputes and/or service complaints, or any other issues of concern to the Municipal Manager, Executive Committee and/or Council.

- (2) A consumer may lodge a query consisting of questioning the accuracy of a statement or questioning any aspect regarding the provision of municipal services, including the accuracy of a measuring device or meter.

- (3) A consumer may lodge a service complaint consisting of a complaint regarding the manner in which the Municipality is delivering the municipal service or any

complaint regarding any other aspect or attribute of the municipal service or any other public service rendered by the Municipality including the customer care and customer management of the Municipality.

- (4) A consumer may lodge a dispute as contemplated in section 102(2) of the Systems Act concerning any specific amount claimed by the Municipality from that consumer.

28. QUERIES AND SERVICE COMPLAINTS

- (1) A query or service complaint may be lodged with the Municipality by a consumer in writing and must be addressed to the office of the Chief Financial Officer or such official as designated by the Chief Financial Officer to deal with queries or service complaints. The query or service complaint must contain the account number of the municipal account to which the query or service complaint relates if applicable, if the details of the query or service complaint as well as the contact details and identity of the consumer lodging the query or service complaint.
- (2) The office of the Chief Financial Officer shall register the query or service complaint, provide a reference number and acknowledgment of receipt to the consumer lodging the query or service complaint within 7 (seven) days from receipt of the query or service complaint, and register the query or service complaint and its reference number in a register kept for this purpose.
- (3) The office of the Chief Financial Officer will commence dealing with the query or service complaint by first determining whether the query or service complaint must be dealt with by the office of the Chief Financial Officer, or whether it should rather be dealt with by the office of another responsible directorate more suitable to address the query or service complaint, in which

instance the office of the Chief Financial Officer must immediately refer the query or the service complaint to such a directorate which directorate in turn must in writing acknowledge receipt of the query or service complaint and investigate the complaint.

- (4) The Municipality, either the office of the Chief Financial Officer or the applicable directorate, must within 14 (fourteen) days from acknowledging receipt of the query or service complaint investigate the query or service complaint and inform the consumer who has lodged the query or service complaint of the outcome of the investigation in writing. If the query or service complaint was not dealt with by the office of the Chief Financial Officer then the applicable directorate who dealt with the query or service complaint must also inform the office of the Chief Financial Officer of the outcome of the matter, in order to allow for the office of the Chief Financial Officer to record the fact that the matter was dealt with, in the register referred to above.
- (5) Notwithstanding the lodging of a query or service complaint the consumer remains liable for the payment of the amount claimed by the Municipality in an instance where the query or service complaint pertains to an amount claimed by the Municipality or to make payment for municipal services in an instance where the query or service complaint relates to a municipal service or other public service provided by the Municipality. If the outcome of a query or service complaint indicates that the Municipality claimed payment of an amount or part of the amount which is not due, the Municipality will effect the necessary adjustment to the account and provide the required credit.
- (6) A consumer who is aggrieved by the outcome of a query or service complaint lodged by the consumer may appeal the outcome, to which appeal process the following provisions apply:
 - (a) an appeal must be made in writing, setting out the details of the query or service complaint initially lodged by the consumer, the outcome

which was received pertaining thereto from the Municipality as well as the grounds of the appeal and the contact details and identity of the consumer lodging the appeal;

- (b) an appeal must be lodged with the office of the Municipal Manager within 21 (twenty one) days after the consumer received the outcome of the query or service complaint from the Municipality;
- (c) if the appeal relates to the testing of any measuring device or meter the Municipality may require the consumer to make payment of an amount as determined by the Municipality to effect the testing of the measuring device or meter prior to the Municipality proceeding to deal with the appeal. If the outcome of the appeal is in favour of the consumer who lodged the appeal then such amount shall be refunded;
- (d) once the office of the Municipal Manager has received a properly noted appeal, the office of the Municipal Manager must within 7 (seven) days proceed to request the office of the Chief Financial Officer or the applicable directorate who dealt with the query or service complaint to which the appeal relates to provide a written report in response to the grounds of appeal, within 14 (fourteen) days from being requested to do so, setting out the reasons of the outcome of the query or service complaint. The Municipal Manager may request any party to provide further detail or information as required to assist in the consideration of the appeal or to clarify any issues;
- (e) the Municipal Manager shall then within 14 (fourteen) days after having received the response of the office of Chief Financial Officer or the applicable directorate and any additional information requested, consider the appeal and inform the consumer who lodged the appeal of the outcome in writing;
- (f) if the appeal relates to the testing of any measuring device or meter the following provisions will apply to the appeal process:

- (i) the Municipal Manager shall consider the appeal within 14 (fourteen) days after having received the outcome of the test results of the tests conducted; and
- (ii) the provisions relating to the testing of a measuring device or meter as set out in this policy will apply *mutatis mutandis*;
- (g) the decision of the Municipal Manager is final;
- (h) the Municipal Manager may condone the late lodging of an appeal or any other procedural irregularity pertaining to an appeal in a written notice expressly doing so.

29. SECTION 102(2) DISPUTES

A dispute declared by a consumer in terms of the provisions of section 102(2) of the Systems Act, must be declared and dealt with as follows:

- (a) a consumer who wishes to declare a dispute in terms of the provisions of section 102(2) of the Systems Act, must declare such dispute in writing to the office of the Municipal Manager of the Municipality by means of a written declaration of the dispute, which writing must contain and set out the following:
 - (i) the account number to which the dispute relates;
 - (ii) the specific amount(s) to which the dispute relates;
 - (iii) a detailed description of the dispute and the grounds upon which and the reasons why the dispute is being declared together with any supporting documentation;
 - (iv) the redress requested by the consumer;
 - (v) the signature of the consumer who/which is the account holder of the account to which the dispute relates, or if the dispute is being declared by a person other than the holder of the account to which the dispute relates, a power of attorney by

the holder of the account to which the dispute relates authorising the person who declares the dispute to do so, which must accompany the written declaration of the dispute;

- (b) a consumer who declares a dispute will only be entitled to the protection afforded to the consumer in terms of the provisions of section 102(2) of the Systems Act, if the dispute is declared as provided in terms of this policy;
- (c) upon receipt of the written declaration of the dispute, the office of the Municipal Manager will within 7 (seven) days after receipt of the written declaration of dispute, refer the dispute to the office of the Director: Corporate Services of the Municipality, who will investigate the dispute and within 14 (fourteen) days after having received the dispute, make a finding on the outcome thereof as to the redress, if any, to be afforded to the consumer who declared the dispute;
- (d) the office of the Director: Corporate Services must communicate the finding to the office of the Municipal Manager within the above stated 14 (fourteen) days, who in turn must communicate the finding of the Director: Corporate Services to the consumer who declared the dispute, within 7 (seven) days after having received the finding of the Director: Corporate Services;
- (e) a consumer who is aggrieved by the finding of the Director: Corporate Services may lodge an appeal against the finding of the Director: Corporate Services in accordance with the below stated provisions;
- (f) an appeal lodged against the finding of the Director: Corporate Services on a dispute declared by a consumer, must:
 - (i) be lodged in writing to the office of the Municipal Manager and comply *mutatis mutandis* to the provisions of sub-paragraph (a) above;
 - (ii) be lodged within a period of 7 (seven) days after the date on which the finding of the Director: Corporate Services was

dispatched to the consumer by the office of the Municipal Manager; and

- (iii) be decided on by the Municipal Manager of the Municipality who may be advised by an attorney from the Panel of Attorneys of the Municipality, who must decide the outcome of the appeal and communicate the decision on the outcome of the appeal to the consumer who lodged the appeal within 14 (fourteen) days after the appeal has been received;
- (g) the decision made by the Municipal Manager on an appeal lodged by the consumer who declared the appeal against the finding of the Director: Corporate Services, shall be final and binding on the parties and constitutes the disposal and end of the dispute declared in terms of section 102(2) of the Systems Act;
- (h) where a dispute has been declared and such dispute has been dealt with as set out above, the subject matter of such a dispute is disposed of and the consumer who declared the dispute may not declare a further dispute on the subject decided matter, or any part thereof;
- (i) the declaring of a section 102(2) dispute as contemplated above, does not excuse the consumer from paying, or suspend the obligation to pay the amount which forms the subject of the dispute, or any other amount due to the Municipality in terms of the statement containing the amount which forms the subject of the dispute;
- (j) if the finding of the Director: Corporate Services or the Municipal Manager in the event of an appeal, is that an adjustment on an account is warranted to the benefit of the consumer who lodged the appeal, the relevant account will be credited accordingly.

30. GRANTING AN EXTENSION OF THE PERIOD IN WHICH TO MAKE PAYMENT OF AMOUNTS DUE IN TERMS OF AN ACCOUNT

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- (1) If a customer is not able to make payment to the Municipality of the amount due in terms of the statement of such a customer, on the due date of the said statement, the Municipality may, in its sole discretion and on receipt of a written application from the debtor, grant an extension of the period in terms of which payment of such statement must be made by the customer, on the following conditions:
- (a) the customer shall apply in writing to the office of the Chief Financial Officer for an extension of the due date by which a debt reflected on a statement or portion thereof, must be paid to the Municipality;
 - (b) the written application referred to above must stipulate the account number of the customer, the reasons why the extension of the due date is required, details of the financial position of the customer as well as the contact details and identity of the customer;
 - (c) the written application must be received by the office of the Chief Financial Officer prior to the due date for payment of the amount due in terms of the statement;
 - (d) the office of the Chief Financial Officer will consider the application by the customer as soon as reasonably possible and inform the customer of whether or not the application was granted, wholly or in part, and also stipulate the date upon which payment of the amount as reflected in the statement must be made in lieu of the due date as indicated on the statement;
 - (e) a customer may not apply for the extension of the due date on more than 3 (three) occasions over any period of 12 (twelve) months;
 - (f) no extension may be granted to any customer who is under administration in terms of the Magistrates Court Act, Act 32 of 1944 or who has an arrangement with the Municipality to pay off previous arrears in instalments or within an extended time or against whom debt collection measures have been implemented;
 - (g) an extension for payment granted by the Municipality in terms of this policy, is subject to the customer signing an acknowledgment of debt

for the arrear amount(s) not paid to the Municipality on the due date as reflected on the statement.

- (2) If the customer fails to make payment of the amount reflected in the statement, or such amount as indicated by the office of the Chief Financial Officer, on the date indicated by the office of the Chief Financial Officer, then the customer will be in arrears with such an amount and the provisions of this policy will apply and the customer will become a debtor.

31. ARRANGEMENTS TO PAY ARREARS IN CONSECUTIVE INSTALMENTS

- (1) If a debtor is in arrears with the payment of an account to the Municipality, the Municipality may, in its sole discretion, enter into a written arrangement for the payment of the arrears, on the following conditions:
- (a) only a debtor or a person authorised in writing on behalf of a juristic person which is the debtor, will be allowed to enter into and sign an agreement or arrangement for the payment of any arrears;
 - (b) the written agreement has to be signed on behalf of the Municipality by the duly authorised official;
 - (c) the debtor must acknowledge the fact that the arrears are due and payable and that the debtor will continue to make payment to the Municipality of the debtor's current account while simultaneously reducing the arrears in terms of the arrangement and must sign a separate acknowledgement of debt;
 - (d) any debtor who did not honour a previous arrangement or agreement will not be considered for a new agreement or arrangement unless exceptional circumstances exist;
 - (e) the debtor must agree that the arrears will be settled by making consecutive monthly instalment payments which must be maintained and any default will result in the whole outstanding amount becoming

immediately due and payable and the municipal services, if applicable, being limited or disconnected without further notice, upon the debtor's default;

- (f) the Municipality in its sole discretion can elect to terminate the further levying of interest, either wholly or in part, on the arrears in the event of an arrangement being entered into. Should the debtor fail to honour the arrangement, any interest not levied, will immediately be levied at the prescribed rate retrospectively and the entire amount due as interest will also become immediately due and payable together with the balance of the arrears;
 - (g) the period over which as well as the monthly instalment which the debtor will be paying in terms of the arrangement to extinguish the arrears and interest, if any, will be agreed between the debtor and the Municipality with the proviso that if the amount for the instalments or the period is not acceptable to the Municipality, the Municipality may decline to enter into the arrangement, and the debtor will be held liable for the immediate payment of the arrears and interest;
 - (h) a debtor may be required to complete a debit order for the payment of the instalments payable in terms of the arrangement;
 - (i) no arrangement for the payment of arrears will be longer than a period of 36 (thirty six) months. The Municipality may on an individual basis allow a longer period than the aforementioned 36 (thirty six) months for the payment of arrears, if special circumstances exist that in the opinion of the Municipality warrants such an extension;
- (2) The Municipality is entitled to require a debtor to comply with any or all of the following requirements in the event of an arrangement being granted:
- (a) sign a consent to judgement and agreement containing the terms of the arrangement which may include terms in addition to those contained in this policy;

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- (b) provide a garnishee order/emolument order/stop order, if the debtor is employed;
 - (c) acknowledge liability of all costs including legal costs incurred; and
 - (d) prove levels of income and make reasonable payment of arrears based on the ability to pay.
- (3) The Municipality, in exercising its discretion to conclude an arrangement with a debtor for the paying of arrears may also have regard to a debtor's:
 - (a) credit record;
 - (b) consumption of municipal services;
 - (c) level of the municipal service;
 - (d) whether previous arrangements to pay off arrears were entered into with the debtor and whether any were complied with; and
 - (e) any other relevant factors.
- (4) A copy of the arrangement will, on request, be made available to the debtor.
- (5) If a debtor fails to comply with an arrangement for the payment of arrears, the total of all outstanding amounts, including the arrears, any interest thereon, administration fees, costs incurred in taking relevant action, and penalties, including payment of a higher deposit, will be immediately due and payable and the Municipality will be entitled to limit or disconnect any municipal services being delivered to the said debtor, without further notice.
- (6) The Municipality may at any time deviate from the arrangement guidelines provided in this policy, but only upon the written recommendation from the Chief Financial Officer to do so, which recommendation must be approved in writing by the Municipal Manager of the Municipality.

32. CATEGORIES OF DEBTORS AND GUIDELINES FOR THE GRANTING OF EXTENSIONS OF DUE DATES FOR PAYMENT OR THE ENTERING INTO OF ARRANGEMENTS FOR THE PAYING OFF OF ARREARS

In exercising its discretion whether or not to grant an extension of the period in terms of which the customer may make payment of an account, or to enter into an arrangement for the paying off arrears in instalments or any other applicable action to be taken by the Municipality regarding customers whose accounts are in arrears, the Municipality may also take into account the following guidelines and norms applicable to different the different categories of debtors referred to below:

OWNERS OF RESIDENTIAL PROPERTY	
DEBT	PAYMENT / ARRANGEMENT
R0.00 to R1 000.00	The total outstanding debt must be paid by the debtor immediately.
R1 001.00 to R5 000.00	50% of the outstanding debt must be paid by the debtor immediately as a down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 2 (Two) months or sooner.
R5 001.00 +	40% of the outstanding debt must be paid by the debtor immediately as a down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 12 (Twelve) months or sooner.

OWNERS OF BUSINESSES, COMMERCIAL, INDUSTRIAL AND/OR MINING PROPERTY	
DEBT	PAYMENT / ARRANGEMENT
R0.00 – R10 000.00	No arrangement is allowed for this amount and the full outstanding amount must be paid by the debtor.

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R10 001.00 – R100 000.00	50% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 6 (six) months or sooner.
R100 001.00 +	40% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in monthly instalments within a period of 12 (Twelve) months or sooner.

STATE-OWNED OR ORGAN OF STATE-OWNED AND/OR PUBLIC SERVICE INFRASTRUCTURE PROPERTY	
DEFAULT	PAYMENT / ARRANGEMENT
First default in any 12 (twelve) month cycle:	14 (fourteen) days notice must be given to the debtor and no arrangements will be granted.
Second default in any 12 (twelve) month cycle:	48 (forty eight) hours notice, all outstanding amounts to be paid in full.
Third default in any 12 (twelve) month cycle:	Disconnection of services.

SPORTING BODIES AND CULTURAL INSTITUTIONS	
DEFAULT	PAYMENT / ARRANGEMENT
All debts:	50% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 3 (three) months or sooner.

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OWNERS OF PROPERTY USED FOR RELIGIOUS PURPOSES, PUBLIC BENEFIT ORGANISATIONS, WELFARE ORGANISATIONS, CHARITABLE INSTITUTIONS, ANIMAL WELFARE, MUSEUMS, LIBRARIES, ART GALLERIES AND BOTANICAL GARDENS, YOUTH DEVELOPMENT ORGANISATIONS AND/OR CULTURAL INSTITUTIONS AND EDUCATION	
DEFAULT	PAYMENT / ARRANGEMENT
All debts:	20% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 6 (six) months or sooner.

REGISTERED INDIGENTS (AS REFERRED TO IN THIS POLICY)	
DEFAULT	PAYMENT / ARRANGEMENT
All debts:	A social assessment must be made to determine the amount that can be afforded by such debtors.
	Arrangements for this category of debtor will be free of interest, should the payment arrangement be complied with strictly.

DEBTORS UNDER ADMINISTRATION	
DEFAULT	PAYMENT / ARRANGEMENT
All debts:	<p>The debt as at the date of the administration court order will be placed on hold, and collected in terms of the court order by the administrator's dividend.</p> <p>The debtor is to be placed on limited services levels. The customer will be compelled to install a prepaid electricity meter, should one not already be in place. The Municipality will be entitled to recover the cost of the basic services by means of purchases made on the prepaid meter.</p> <p>Should there be any default on the current account the supply of services is to be limited or disconnected and the debt incorporated into the administration for the collection of this debt.</p>

COUNCILLORS AND EMPLOYEES OF THE MUNICIPALITY:	
DEFAULT	PAYMENT / ARRANGEMENT
All debts:	<p>In accordance with the provisions item 12A of Schedule 1 of Systems Act, a Councillor may not be in arrears to the Municipality for rates and/or services charges for a period longer than 3 (three) months.</p> <p>In order to ensure timeous payment of Councillors' accounts, all Councillors may be subject to an automatic deduction instituted against the Councillor allowance payments, on a monthly basis.</p> <p>In accordance with the provisions of Item 10 of Schedule 2 of Systems Act, an employee of the Municipality may not be in arrears to the Municipality for rates and/or services charges for a period longer than 3 (three) months, and the Municipality may deduct any arrear</p>

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	amounts from the salary of such an employee after this period, which deduction may not exceed more than 25% of the gross salary of the employee.
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CHAPTER 5

CREDIT CONTROL AND DEBT COLLECTION MEASURES AND OTHER INSTANCES FOR THE LIMITATION, DISCONNECTION OR TERMINATION OF MUNICIPAL SERVICES

33. DIFFERENT DEBT COLLECTION AND CREDIT CONTROL MEASURES

- (1) The Municipality shall be entitled to utilise and implement any one or more of the following debt collection and credit control measures in respect of any arrears and as provided for in this policy:
- (a) **disconnection of electricity;**
 - (b) the raising of penalties and interest charges on arrears;
 - (c) the institution of debt collection procedures and legal proceedings to recover debt.
- (2) As a result of the provisions of section 75A, as contained in Chapter 8 of the Systems Act, entitling a Municipality to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality and to recover collection charges and interest on any outstanding amount, the institution of legal proceedings to recover debt shall not constitute a “debt collection and credit control measure” for the purpose of and as contemplated in the provisions of section 102(1), read with section 102(2) of the Systems Act, as the Municipality’s right to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality as well as collection charges and interest on any outstanding amount, is not a debt collection and credit control measure provided for in Chapter 9 of the Systems Act, but a statutory right of the Municipality provided for in Chapter 8.

34. NOTICE OF DEMAND

- (1) When a consumer is in arrears the Municipality shall serve a monthly statement to demand payment informing the consumer of the Municipality's right to limit, disconnect or terminate the municipal services of water and electricity should the arrears remain unpaid.
- (2) The failure to serve a notice of demand does not relieve a consumer from paying such arrears.
- (3) The notice of demand must contain the following:
 - (a) the amount in arrears and any interest payable;
 - (b) that the consumer's name may be listed with a credit bureau or any other equivalent body as a defaulter;
 - (c) that the account may be handed over to a debt collector or attorney for collection and/or the institution of legal steps; and
 - (d) and that the Municipality has the right to limit, disconnect or terminate the municipal services of water and electricity should the arrears remain unpaid, or the consumer's actions allow the Municipality to limit, disconnect or terminate the municipal services, without further notice;
 - (e) that, in the event of the limitation or discontinuation of the water provision services, the consumer is afforded an opportunity to make representations to the Municipality as to why the Municipality should not proceed to limit or discontinue the water supply services to the consumer, which representation must be made by the consumer within 7 (seven) days from the date of the notice of demand.

- (4) The right to be afforded reasonable notice of the Municipality's intention to limit or discontinue the water supply services to a consumer or to be afforded an opportunity to make representations to the Municipality as to why the Municipality should not proceed to limit or discontinue the water supply services to the consumer as referred to above, shall not apply in instances where:
- (a) other consumers would be prejudiced;
 - (b) there is an emergency situation;
 - (c) the consumer has interfered with a limited or discontinued service.

35. THE LIMITATION, DISCONNECTION OR TERMINATION OF THE MUNICIPAL SERVICES (WATER AND ELECTRICITY)

- (1) The Municipality shall be entitled to disconnect the municipal service of electricity or to terminate the provision of municipal services altogether, save for the provision of a limited supply of potable water, to a consumer, in the following instances:
- (a) failure to pay arrears subsequent to a notice of demand being served;
 - (b) failure to rectify a breach of any of the provisions of this policy, or any other Policy, By-Law of the Municipality or statutory provision, after being notified of the said breach;
 - (c) failure to conclude or honour the terms and conditions of an arrangement to pay arrears in consecutive instalments;
 - (d) failure to comply with a condition of supply relating to any municipal service imposed by the Municipality;
 - (e) if there has been any unlawful obstruction of or interference with any equipment or services;

- (f) if the consumer supplies or attempts to supply or “on sell” such municipal service to a person who is not entitled thereto or permits such service to continue;
 - (g) if there has been a material abuse of the municipal services by the consumer;
 - (h) if the execution of necessary and/or required repairs or maintenance necessitates;
 - (i) in instances of emergencies where the provision of certain municipal services are not possible; and
 - (j) if there has been any unlawful connection, or any unauthorised activity relating to any municipal installations or services or the services are used for the conducting of a category of use other than that for which the consumer is registered.
- (2) The Municipality will not limit, disconnect electricity on a Saturday, Sunday or a public holiday, except in special circumstances, and the Municipality will not restore or re-connect the electricity on a Saturday, Sunday or public holiday where the arrears have not been in full, or made an arrangement with the Municipality for such payment as provided for in this policy before 12h00 on a working day immediately preceding a Saturday or public holiday.
- (3) The costs of any limitation, disconnection or termination of municipal services and the restoration or re-connection thereof, including any interest thereon, administration fees, additional charges, costs incurred in taking relevant action and any penalties, including the payment of a higher deposit, payable in terms of this policy, will be payable by the consumer in full to the Municipality before any reconnection or restoration of the municipal services will take place.

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- (4) The Municipality shall have the right to limit, disconnect or terminate municipal services in accordance with this policy if there is any arrears and irrespective of whether payment has been made in full or in part for or towards the municipal service which has been limited, disconnected or terminated.
- (5) Notwithstanding that a municipal service connection to an approved installation may have already been completed, the Municipality may at its absolute discretion, refuse to supply municipal services to that installation, until all arrears by the same consumer in respect of that or any other service connection, whether or not on the same premises, have been paid.
- (6) An arrangement to pay arrears in consecutive instalments entered into after the municipal services was limited, disconnected or terminated, will not result in the municipal services being restored or reconnected until the arrears, any interest, administration fees, costs incurred in taking relevant action and any penalties, including payment of a higher deposit, are paid in full.
- (7) **The Municipality may without notice disconnect or terminate the provision of municipal services and electricity services provided through pre-payment meters (which could include the restricting and/or allocation of credit purchases for pre payment meters) to any premises, and without prejudice any of the Municipality's rights, including the right to enter upon such premises and carry out, at the consumer's expense, such emergency work, as the Municipality may deem necessary and in the following circumstances:**
 - (a) in an emergency where the Municipality considers it necessary as a matter of urgency to prevent any wastage of municipal services, unauthorised use of municipal services, damage to property, danger to life or pollution of municipal services, and national disaster or if sufficient municipal services are not available;

- (b) where a consumer uses the municipal services for any purpose or deals with the supply of the municipal services in any manner which the Municipality has reasonable grounds for believing interferes in an improper or unsafe manner or is found to interfere in an improper or unsafe manner with the efficient supply of the municipal services to any other consumer. Where the consumer causes or allows any other consumer to connect to the services supplied to him, the Municipality may limit, disconnect or terminate such municipal service but shall restore such service as soon as reasonably possible once the cause for the disconnection has been permanently remedied or removed;
- (c) where a consumer causes a situation which is in the opinion of the Municipality constitutes a danger or potential danger to a person or property or a contravention of relevant legislation;
- (d) where a consumer interferes with the supply to any other consumer;
- (e) where there is a serious or grave risk to any person or property;
- (f) for reasons of community safety or the safety of emergency personnel;
- (g) where *prima facie* evidence exists of a consumer and/ or any person having tampered with or contravened the provisions of this policy the Municipality shall have the right to disconnect the supply of municipal services immediately and without prior notice to the consumer or premises where the contravention has taken place;
- (h) if there has been material abuse of the municipal services;
- (i) if the use of municipal services is creating unacceptable environmental damage or water pollution.

36. RECONNECTION OR REINSTATEMENT OF MUNICIPAL SERVICES

- (1) The Municipality shall reconnect or reinstate municipal services limited, disconnected or terminated in terms of this policy, if:

- (a) the arrears have been paid **fully** by the debtor, or an arrangement for the paying of the arrears in instalments has been concluded between the Municipality and the debtor; **and reconnection fee amounting to R500.00 has been paid and;**
 - (b) the **full** costs of **any disconnection of electricity and the restoration** or re-connection thereof, including any interest administration fees, additional charges, costs incurred in taking relevant action and any penalties, including the payment of a higher deposit, payable in terms of this policy, have been paid by the debtor; and
 - (c) there are no other grounds to continue the limitation, disconnection or termination provided in this policy.
- (2) **The Municipality may when restoring or reinstating municipal services disconnected as a result of non-payment or a breach of the terms of their policy, install or convert a conventional measuring device or meter with a prepayment metering system in order to execute credit control.**

37. TERMINATION OF SERVICE AGREEMENT BY CUSTOMER

If the customer is of the intention to terminate the services agreement with the Municipality, the customer shall give notice in writing, of not less than 7 (seven) days to the Municipality of this intention, by completing the relevant service discontinuation and account closure forms as prescribed by the Municipality requesting the Municipality to terminate the services agreement concluded with the Municipality and/or the provision of the municipal service(s). Until such time as the service agreement have been terminated the customer remains liable for all and any charges, fees, tariffs, levies and the consumption charges of municipal services.

38. TEMPORARY DISCONNECTION AND RECONNECTION

- (1) The Municipality shall at the request of the customer and when reasonably possible, temporarily disconnect and reconnect the supply of municipal services for the consumer to effect an installation on the premises requiring the disconnection of the municipal services, upon payment of the prescribed fee for such disconnection and reconnection.
- (2) The Municipality may temporarily disconnect or alter or move or change the supply of municipal services to any premises without notice, for the purpose of effecting repairs or carrying out tests or for any other legitimate purpose. Regarding the temporary disconnection of the electricity supply, the Municipality will endeavour to give effect and implement to the provisions of NRS 047-1:2005 Edition 3 relating to planned disconnections.

39. LEVYING OF PENALTIES AND INTEREST CHARGES ON ARREARS

- (1) The Municipality may in terms of section 75A of the Systems Act charge interest on arrears at the interest rate determined by the Council from time to time.
- (2) Where any payment made to the Municipality is later dishonoured by the bank, the Municipality may levy such cost and administration fees against an account of the customer as approved from time to time by the Council and set out in the Tariff Schedule referred to in the Tariff Policy.
- (3) All legal costs, including attorney and own client costs, incurred in the recovery of arrears shall be levied and recovered from the debtor.
- (4) Where any action is taken by the Municipality in demanding payment from the debtor or reminding the debtor by means of telephone, fax, email, letter or

otherwise, that the account of the said debtor is in arrears and that payments on the account are overdue, a penalty fee may be levied against the account of the debtor in the amount as set out in the Tariff Schedule of the Municipality.

- (5) Where any municipal service is disconnected as a result of non-compliance with the provisions of this policy by the debtor, the Municipality shall be entitled to levy and recover the standard disconnection fee, as determined by the Municipality from time to time, from the debtor in terms of the Municipality's Tariff Schedule.
- (6) Interest will be raised as a charge on all accounts older than 30 days, not paid by the due date.
- (7) Interest will be charged on the total outstanding balance older than 30 days of the accounts, at a rate determined by the Council of 2% per month.
- (8) Interest will be calculated on a monthly basis, for the purpose of determining arrear amounts, all amounts unpaid including previously raised and penalty charges, VAT shall be taken into account.
- (9) The decision to waive interest in specific instances can only be taken by the Chief Financial Officer.
- (10) The Council shall review all charges annually and interest write-off be as per the agreement signed between the customer and the Council.

40. THE INSTITUTION OF DEBT COLLECTION PROCEDURES AND LEGAL PROCEEDINGS TO RECOVER DEBT

- (1) Where an account remains in arrears for more than 90 (ninety) days: the debtor's name may be listed with a credit bureau or any other equivalent body

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as a defaulter and the arrears may be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against the debtor.

- (2) The Chief Financial Officer must exercise strict control over this process and must require regular progress reports from attorneys, debt collectors and/or other parties concerned.
- (3) The Municipality must ensure that the terms, conditions, duties and obligations of any service providers appointed by the Municipality to collect outstanding debts, are sufficiently documented in a service level agreement and the Chief Financial Officer must ensure that the terms and conditions of the service level agreement are complied.
- (4) Once arrears have been handed to an attorney or other person for the collection of the arrears any further arrangements, agreements or communications must be made directly with such attorney or debt collector.
- (5) In terms of the provisions of section 103 of the Systems Act the Municipality may:
 - (a) with the consent of the debtor, enter into an agreement with the employer of the debtor in order to deduct from the salary or wages of such debtor:
 - (i) any outstanding amounts due to the Municipality in terms of this policy; or
 - (ii) such regular monthly amounts as may be agreed and
 - (b) provide special incentives for:
 - (i) employers to enter into such agreements; and
 - (ii) debtors to consent to such agreements.

- (6) Any and all collection and/or legal fees occasioned by the debt collection process are payable by the debtor concerned.

41. FULL AND FINAL SETTLEMENT

If a consumer tenders payment of an amount less than the amount that is due and payable to the Municipality or tenders payment of any arrears, and such payment is accepted by the Municipality, such payment will not be in full and final settlement of the amount due and payable or arrears, irrespective of the consumer indicating that such payment is in full and final settlement, unless it is part of a written agreement between the consumer and the Municipality in terms of which the Municipality expressly states that it is prepared to accept the payment in full and final settlement.

42. JOINT AND SEVERAL LIABILITY OF OWNERS, TENANTS AND OCCUPIERS

Notwithstanding any other provision in this policy, the owner, tenant or occupier of premises to which municipal services are provided, or in respect of which any levies, fees, charges or tariffs are imposed or levied, are jointly and severally liable for the payment of any consumption charges, levies, fees, charges or tariffs, despite any contractual obligation or arrangement to the contrary between any of the said parties, and irrespective of whether a municipal services agreement was concluded between the Municipality and such owner, tenant or occupier of the premises regarding the provision of the municipal services to which the consumption charges, levies, fees, charges or tariffs relate.

43. JOINT AND SEVERAL LIABILITY OF OWNERS, TENANTS AND OCCUPIERS FOR ARREARS REGARDING RATES

- (1) In terms of section 28 of the MPRA the Municipality may recover arrears for rates in whole or in part from the owner, tenant or occupier of the property, despite any contractual obligation to the contrary on the tenant or occupier, subsequent to written notice to the tenant or occupier.
- (2) The amount the Municipality may recover from the tenant or occupier of a property in terms of sub-paragraph (1) is limited to the amount of the rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property.
- (3) 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 of the owner.
- (4) The tenant or occupier of a property must, on request by the Municipality, furnish the Municipality with a written statement specifying all payment 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.

CHAPTER 6

CUSTOMER ASSISTANCE

44. RATE REBATE

Rate rebates will be granted as set out in the Rates Policy and By-Law of the Municipality.

45. FREE BASIC SERVICES

The Municipality will provide the free basic municipal services as set out in the Tariff Policy and By-Law of the Municipality. In the event that any municipal service is limited, disconnected or terminated in terms of this policy the free portion of such municipal services provided for in terms of this section and the Tariff Policy and By-Law, will also not be unlimited for as long as the municipal service remains limited, disconnected or terminated.

46. INDIGENT SUPPORT

The Municipality may extend indigent support to any consumer on application to the Municipality in the prescribed manner as set out in the Municipality's Indigent Policy.

CHAPTER 7

PROVISION FOR BAD AND IRRECOVERABLE DEBT

47. PROVISIONS FOR BAD DEBT

- (1) The Municipality must ensure that there is an acceptable and sufficient provision for bad debt in the budget of the Municipality.

- (2) The annual provision for bad debt shall be provided for as follows:
 - (a) 90% of all outstanding debts which are unpaid for a period of 90 (ninety) days or more, based on the estimated age analysis of the financial year end of which the financial statements are drawn up for; and
 - (b) 50% for 60 days based on the estimated age analysis of the financial year end of which the financial statements are drawn up for.

- (3) Provision for bad debt is provided for in respect of the following services:
 - (a) rates;
 - (b) sewerage;
 - (c) water;
 - (d) electricity;
 - (e) refuse;
 - (f) basic electricity;
 - (g) basic water; and
 - (h) sundry debtors.

- (4) The Chief Financial Officer must keep record of all provisions in accordance with general recognised accounting practices.
- (5) The Chief Financial Officer must report to the Municipal Manager in a prescribed form and must review and adjust the provisions with the adjustment budget.

48. IRRECOVERABLE BAD DEBT AND WRITE OFFS

- (1) The main purpose of writing off bad debts is to ensure:
 - (a) consistency in writing off bad debts;
 - (b) proper authorisation at appropriate levels for write offs;
 - (c) efficient and effective debt collection.
- (2) Bad debts will be written off if the Municipality is satisfied that:
 - (a) recovery will cause undue hardship to the debtor or debtor's dependents;
 - (b) recovery is uneconomical or not cost effective;
 - (c) the provisions of all other policies of the Municipality, such as the Indigent Policy have been considered and where applicable applied;
 - (d) any debt collection and credit control measures implemented by the Municipality were exhausted and/or ineffective and/or not cost effective;
 - (e) a full report of all amounts to be written off is to be presented to the Council after 30 June each year for approval;
 - (f) the write-off's in respect of the arrears of Registered Indigents will be undertaken in terms of the Indigent Policy of the Municipality;

- (g) in the event of a claim against an insolvent estate, pursuing a claim against the estate bears the risk of a contribution or the prospect that no dividend will be received;
 - (h) a deceased estate has no liquid assets to cover the arrears following the final distribution of the estate or if the estate has not been reported to the Master and there is no reasonable prospect of recovering the arrears from the Estate;
 - (i) the arrears have prescribed;
 - (j) the debtor is untraceable or cannot be identified in order to proceed with further action;
 - (k) the debtor has emigrated leaving no assets of value and it is not cost effective to pursue the claim further;
 - (l) it is not possible to quantify or prove the arrears;
 - (m) a court has ruled that the claim is not recoverable;
 - (n) the arrears are due to an irreconcilable administrative error by the Municipality including any alterations not affected timeously in the Municipality's records or the levying of interest in an instance where the capital was not in arrears;
 - (o) such amount constitutes the remainder of arrears on which the Municipality accepted an offer made in full and final settlement of such arrears, which offer is not for the entire amount of the arrears, but which is accepted in writing by the Municipal Manager;
 - (p) arrears may be written off to bad debts where the Municipality:
 - (i) expropriates any property; or
 - (ii) purchases any property; or
 - (iii) undertakes any obligations to develop any property.
- (3) Arrears may be written off as bad debts where a property has been forfeited to the State in terms of the Prevention of Organised Crime Act, Act 121 of 1998; or where the occupants have been evicted from Council, Provincial or State-owned premise;

- (4) Where a customer has applied for and been awarded a grant due to the Registered Indigent status of such a customer in terms of the Indigent Policy of the Municipality. Such a write off by the Municipality will be allowed only once for a specific customer and where such customer has lost his/her status as a Registered Indigent due to his/her financial recovery, such customer will immediately be subject to the provisions of this policy should the account again fall into arrears;
- (5) Where an exemption has been granted in terms of the Rates Policy of the Municipality to a ratepayer from the payment of property rates, such ratepayer will with effect from the date of such exemption, have its arrears in respect of its account, if any, written off;
- (6) Should any tampering with or bypassing of any measuring device or meter be discovered, any arrears written-off in terms hereof, will become payable with immediate effect and any other action as per any legislation or policy which applies to such tampering and/or bypassing will be instituted;
- (7) Where a ratepayer's status, entitling it to an exemption in terms of the Rates Policy of the Municipality, changes so that the ratepayer is no longer entitled to an exemption, any arrears written off subsequent to the changing of the status of the ratepayer will be reversed and become due and payable again;
- (8) Any request for the writing off of arrears for an amount above R1 000.00 (one thousand rand) must be made to the Council. Such a request must be made in writing and must be submitted to Council for approval together with documentation indicating the applicable account number, the debtors full details, full details of the premises concerned in respect of the arrears, the arrears as well as a motivation for the requested write-off referring to the

grounds set out in this policy allowing for a write off in the particular circumstances. The request must be compiled and submitted to Council for approval by way of a resolution as an irrecoverable debt write off. Arrears of less than R1 000.00 (one thousand rand) may be written off by means of a written resolution from the Municipal Manager supported by a written report and recommendation from the Chief Financial Officer and the details regarding the debtor and the arrears referred to above, must included in the said report and recommendation.

- (9) Notwithstanding the contents of the foregoing paragraphs, the Municipality is under no obligation to write-off any particular debt and any approval of a write-off of arrears remains within the sole discretion of the Municipality.
- (10) The Municipality is entitled to reverse any amount it has written-off upon it being discovered that a debtor has misled (whether intentionally or negligently) the Municipality in terms of any information, documentation or representation made by such debtor in order to receive such write-off, in which event the Municipality is entitled to immediately effect the reversal of any write-off against the account of a debtor.
- (11) The Municipality may write-back any amount previously written-off by it on behalf of a debtor where the account of such debtor, at any time, reflects a credit balance.
- (12) Any write off of any arrears which was in error shall not bind the Municipality and be written back.
- (13) The Municipality shall apply the terms of this policy fairly and consistently and in an open and transparent manner.

CHAPTER 8

GENERAL PROVISIONS

49. RIGHT OF ACCESS OR ENTRY TO PROPERTY AND INSPECTION

- (1) In terms of the provisions of section 101 of the Systems Act and section 41 of the MPRA, the Municipality must be given access to premises by the owner or occupier thereof or the customer or consumer of the municipal services thereon or thereto (cumulatively referred to hereafter as “person in control”) at all reasonable hours, or in the event of an emergency at any time, in order to request information, carry out an inspection and examination, to read, inspect, install or repair any measuring device or meter or service connection for reticulation, or to limit, disconnect or terminate the provision of any municipal services, or to value the premises, or to execute any lawful act or conduct any lawful service, or to ensure compliance with any by-law of the Municipality or statute.

- (2) Where, for whatever reason, access to a measuring device or meter or premises is not possible, the Municipality may:
 - (a) by written notice require the person in control to restore access at his/her own expense within a specified period; and
 - (b) where access to such a measuring device or meter or premises is required as a matter of urgency or in an emergency, the Municipality may without prior notice restore access to the measuring device, meter or premises and recover the costs in respect thereof from the person in control.

- (3) A person in control who fails or refuses to provide access to the Municipality will be liable for the costs incurred by the Municipality, to gain access to the measuring device or meter or premises.

- (4) If the Municipality considers it necessary, in order to enable the Municipality to perform any function properly and effectively in terms of this Policy, or any other policy or by-law of the Municipality, it may:
- (a) by written notice require the person in control, at their own expense, to do specified work within a specified period;
 - (b) in the event of an emergency conduct the necessary work without any notice and cause the person in control to reimburse the Municipality for any expenses incurred in the execution of such work.
- (5) If the work referred to 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 the Municipality shall bear the expense and cost connected therewith.
- (6) Any person representing the Municipality must on request provide his or her identification and allow the consumer to verify the authority of the representative with the Municipality.

50. UNAUTHORISED ACTIVITIES – THEFT, FRAUD AND TAMPERING

- (1) Any person who is illegally connected to municipal services, tampers with measuring devices or meters, the reticulation network or any other equipment of the Municipality for the provision of municipal services, and/or any person who commits any unauthorised activity, theft of, or damage to any infrastructure or equipment of the Municipality (also referred to as an “unauthorised activity”) will be prosecuted.

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- (2) No person shall in any manner, or for any reason whatsoever tamper with, interfere with, vandalise, fix advertising medium to, or deface any measuring device or meter or service connection or service protective device or supply mains or equipment of the Municipality, or illegally connect into the municipal services of any other consumer or the Municipality.
- (3) The provision of municipal services to any premises, and/or consumer, will be terminated immediately upon the Municipality becoming aware of any unauthorised activity in respect thereof as contemplated in this policy.
- (4) The Municipal Manager must implement a monitoring system in order to identify consumers who commit any unauthorised activity.
- (5) The Municipality reserves the right to institute legal action, including the laying of criminal charges and/or to take any other legal action against any person who commits an unauthorised activity.
- (6) The Municipality may reward any whistle blower who reports unauthorised activity to the Municipality.
- (7) An owner of premises will be held liable and fined for any unauthorised activity committed by an occupier of such premises.
- (8) In the event of any unauthorised activity, the Municipality shall have the right to recover an amount based on estimated consumption as provided for in this policy. The estimated consumption by the Municipality shall be prima facie evidence of the consumption in the event of any unauthorised activity.

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- (9) Where a person illegally reconnects the supply of a municipal service which was disconnected by the Municipality in accordance with this policy, then the consumer shall be liable for all charges for such municipal service consumed between the date of disconnection and the date the supply is found to be reconnected and any other charges raised in this regard.
- (10) **Prior to new consumption of services, a customer has to pay in full illegal re-connection charges.**
- (11) Notwithstanding any other rights that the Municipality may have in terms of this policy, the Municipality may, in the event of any unauthorised activity, summarily terminate the supply of municipal services and may take any such steps as the Municipality may deem necessary to effect such termination, including, but not limited to the right to remove the measuring device or meter physically from the premises.
- (12) Any contravention of this paragraph, whether intentional or negligent shall be sufficient to constitute an offence and unless the contrary is proved by the consumer, it shall be deemed that the contravention was due to an intentional act or omission of the person charged.

53. CLEARANCE CERTIFICATES

- (1) In terms of the provisions of section 118 of the Systems Act a registrar of deeds may not register the transfer of property situated within the municipal area of the Municipality, except on production to such registrar of a prescribed certificate issued by the Municipality, which certifies that all amounts which became due in connection with such property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies and duties during the 2 (two) years preceding the date of application for such 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 paragraph are subject to section 89 of the Insolvency Act, Act 24 of 1936.
- (3) An amount due for municipal services, fees, surcharges on fees, property rates and other municipal rates, levies and duties provided for in this policy, is a charge upon the property and which amount enjoys preference, over any mortgage bond registered against the property from the date of registration of the transfer of the property into the name of the owner.
- (4) If the owner of the property is not the person who has entered into a services agreement with the Municipality for the supply of municipal services to a property, the owner will become liable for the payment of the charges referred to in section 118(1)(b) of the Systems Act relating to the property, once the owner of the property applies for a clearance certificate in terms of section 118 of the System Act.

54. DAMAGE TO MUNICIPAL SERVICE INFRASTRUCTURE

- (1) A consumer shall be liable for all and any costs to the Municipality arising from any damage to, or loss of any measuring device or meter or municipal service infrastructure relating to the provision of municipal services to premises, unless such damage is shown to have been occasioned by an Act of God or an act or omission of the Municipality, or caused by an abnormality in the supply of municipal services to the premises.
- (2) In the event of any damage occurring to any measuring device or meter or municipal service infrastructure relating to the provision of municipal services

to premises, the consumer shall report and inform the Municipality as soon as the consumer becomes aware of the damage.

55. REPORTING DEFAULTERS

- (1) The Municipality may in its discretion report any person that is indebted to the Municipality, to any company or organisation that collates and retains information regarding defaulters.
- (2) The information to be included in such report shall be the available personal information of the defaulter or in the event that the defaulter is a legal person, the statutory details of the legal entity including information pertaining to the responsible officer of such legal person.

56. NOTICE

- (1) Any notice given by the Municipality in terms of this policy, the Credit Control and Debt Collection By-Law, the Tariff Policy and By-Law, the Rates Policy and By-Law, the Water By-Law, the Electricity By-Law or any other legislation shall be regarded as having been served:
 - (a) when it has been delivered to that person personally;
 - (b) when it has been left at that person's place of residence or place of business or employment with a person apparently over the age of 16 (sixteen) years;
 - (c) when it has been posted by pre-paid registered or certified mail to that person's last known residential address or business address and an acknowledgment of the posting thereof from the postal service is obtained;

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- (d) when it has been served on that person's agent or representative in any of the manners provided for in this policy;
 - (e) when it has been posted in a conspicuous place on the premises to which the notice relates;
 - (f) when it has been faxed to that persons fax number and a confirmation of the successful sending of the fax is obtained;
 - (g) when it has been emailed to that persons email address and a confirmation of the successful sending of the email is obtained.
- (2) In the case where compliance with a notice is required within a specified number of days, such period shall be deemed to commence on the date of service of the notice.
- (3) When any notice or other document must be authorised or served on the owner, occupier or holder of any property or right in any property, it is sufficient if that person is described in the notice or other document as the owner, occupier or holder of the property or right in question, and it is not necessary to address that person by name.
- (4) Any legal process is effectively and sufficiently served on the Municipality when it is delivered to the Municipal Manager or a person in attendance at the Municipal Manager's office.
- (5) Any person on whom a notice is served shall, comply with its terms or when a time is specified, comply with the terms of the notice within the specified time.

57. NON LIABILITY OF THE MUNICIPALITY

The Municipality nor any employee, official, person, body, organisation or corporation acting on behalf of the Municipality shall be liable for any loss or damages of whatsoever nature howsoever arising whether, direct or consequential, suffered or sustained by any person as a result of or arising from the provision, limitation, disconnection or termination, interruption or any other abnormality arising from the supply of municipal services, or any act or omission done by the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality.

58. CODE OF ETHICS

- (1) All the officials of the Municipality shall embrace the spirit of Batho Pele and treat all consumers and debtors with dignity and respect at all times.
- (2) Employees of the Municipality shall execute their duties in terms of this policy in an honest and transparent manner whilst protecting the confidentiality of information of consumers and debtors in accordance with the provisions of the Promotion of Access to Information Act, Act 2 of 2000.

59. AUTHENTICATION OF DOCUMENTS

Any document requiring authentication by the Municipality shall be sufficiently authenticated if signed by the Municipal Manager, or by a person duly authorised to do so, on behalf of the Municipality, by resolution of the Municipality and shall constitute prime facie proof of the authenticity, existence and contents of the document.

60. PRIMA FACIE EVIDENCE

In legal proceedings by, or on behalf of the Municipality, a certificate reflecting an amount due and owing to the Municipality, the identity of the debtor and any such other details as may be included in such a certificate and which is signed by the Municipal Manager, or by a person dully authorised to do so, on behalf of the Municipality, by resolution of the Municipality, shall subject to the provisions of section 3 of the Law of Evidence Amendment Act, Act 45 of 1988, upon its mere production constitute prima facie evidence of the contents of the certificate.

61. PROVISION OF INFORMATION

A consumer, debtor, owner, occupier or person within the area of supply of the Municipality must provide the Municipality with accurate information requested by the Municipality that is reasonably required by the Municipality for the implementation or enforcement of this policy.

62. AVAILABILITY OF POLICY AND BY-LAWS

- (1) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality shall be included in the Municipality's Municipal Code as required by the provisions of section 15 of the Systems Act.
- (2) The Municipality shall take all required legal steps to inform consumers, debtors, owners and occupiers of the content of this policy.

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- (3) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality shall be available for inspection at the offices of the Municipality at all reasonable times.

- (4) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality may be obtained from the Municipality against payment of an amount as determined by the Council.

63. BY-LAW TO GIVE EFFECT TO THIS POLICY

The Municipality shall adopt a by-law known as the Credit Control & Debt Collection By-Law to give effect to the implementation and enforcement of this policy.



RAMOTSHERE MOILOA LOCAL MUNICIPALITY
SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

PO Box _____ • Zeerust • Tel: _____ (office hours) • Email: _____ •

• Cashier hours: 07:45 – 15:30 (Mondays to Fridays) • 07:45 – 12:00 (Saturdays) •

ACCOUNT NO.:														
RECEIPT NO.:														

****Mark if applicable with a "X"**

Type of Application:	Domestic	Commercial / Industrial	Institutional				
Type of Customer:	Individual	CC	Partner	Pty (Ltd)	Lessee	Owner	
Particulars of Applicant							
Name of corporate entity:							
Registration number of corporate entity:							
VAT Registration No.: (if applicable)							
Surname:						Initials:	
ID Number:							
Marital status:	Married	Unmarried	Single	Divorce	Widowed		
If married – in / out of community of property:							
Occupation:							
Tel. No. (Home):				Tel. No. (Work):			
Cellphone No.:				E-mail:			
Details of spouse where married in community of property:							
Surname:						Initials:	
ID Number:							
Occupation:							
Tel. No. (Work):				Cellphone No.:			
E-mail:							
Address of Applicant:							



RAMOTSHERE MOILOA LOCAL MUNICIPALITY
SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

(for purposes of statement delivery and physical address for the delivery of notices and documents)			
Physical Address:			
		Postal Code:	
Postal Address:			
		Postal Code:	
Next of Kin: (family members)			
1.	Name:		Tel. No.:
	Physical Address:		
2.	Name:		Tel. No.:
	Physical Address:		
Employer's Details:	Name:		
	Physical Address:		
Tel. No.:		Period in Service:	
Gross Monthly Income:			
Source of monthly income, if other than salary:			
Credit References: (Please provide at least 2 credit references)			
Name of Company:			
Physical Address:			
Account Number:		Tel. No.:	
Name of Company:			
Physical Address:			
Account Number:		Tel. No.:	
Particulars of Owner (if not Applicant)			
Name of corporate entity:			
Registration number of corporate entity:			
Surname:		Initials:	



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ID Number:				
Occupation:				
Tel. No.:		Cellphone No.:		
Physical Address:				Postal Code:
Property to which municipal services must be provided				
Suburb:				
Zone:		Stand No.:		
Street Name:		Street No.:		
Number of persons over the age of 18 years living on the property:				
Type of municipal services to be provided:				
Water Supply Services:	Communal Standpipe:			
	Yard Connection:			
	In-house Connection:			
	Other:			
Sanitation Services:	Night Soil Removal:			
	Water borne sewerage:			
	Other:			
Electricity:	Single:			
	3 Phase electricity:			
	Pre-paid:			
	Other:			
	Temporary supply:			
	Permanent supply:			
Refuse removal Services:				
Date on which provision of services should commence:				
Payment Details:	Deposit Amount Payable:	R		
Method of payment:	Cash	Cheque	EFT	Credit Card



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If applicable: Other methods of payment:				
Discontinuation of Services				
Address at which service is to be discontinued:				
Discontinue the following:	Electricity	Water	Sewerage	Refuse
At the above address on this date:				
And refund deposit, less any amount owing to:				
With Bank Details:	Bank:			Branch:
	Account No.:			

Conditions of Agreement
Certified copies of documents to be produced/submitted
<ol style="list-style-type: none"> 1. Identification document must be produced. 2. In case of Tenant: (i) Copy of the Lease Agreement; OR (ii) A letter from the owner must be submitted. 3. In case of Close Corporation: (i) Ck2 Document submitted; (ii) Resolution submitted. 4. In case of a Company: (i) Company Articles of Incorporation submitted; (ii) Resolution submitted.
Definitions
<p>The headings of the paragraphs in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of, nor modify, nor amplify, the terms of this Agreement, nor any paragraph thereof.</p> <p>“Customer” means the person indicated as “applicant” on the form page of this Agreement, irrespective of whether he/she/it or someone else actually consumed or use the service or not.</p> <p>“Domicilium” means the chosen address where notices must be delivered.</p> <p>“Municipality” means the Ramotshere Moiloa Local Municipality.</p> <p>All other words shall bear the normal meaning of such word.</p>



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SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

Authorisation

I guarantee that I am duly authorised by the Applicant to apply for the supply of this/these services and to sign the application form and this agreement. I hereby admit that I am liable, and hold myself bound to for the due and proper payment of any amounts due to the Municipality and which arises as a result of the supply and provision of the municipal services by the Municipality and the payment of the fees, charges and tariffs levied by the Municipality in relation to the said municipal services or the availability thereof, should it be found that I signed this agreement without proper authorisation.

Conditions for the supply and provision of municipal services

1. The supply and provision of and payment for the municipal service(s), fees, charges and tariffs levied by the Municipality shall be subject to and in accordance with the laws of SA, the By-laws of the Municipality and the Policies adopted from time to time by the Municipality, and which specifically govern or stand in relationship to the provision of the services.
2. I acknowledge that I/we have read and understand the contents of the relevant By-laws and Policies, which were available to me. The contents of the Credit Control and Debt Collection Policy and By-Law, the Tariff Policy and Tariff By-Law, the Rates Policy and Rates By-Law, Water Services By-Law and Electricity By-Law of the Municipality are herewith incorporated into this agreement by reference and the terms and conditions contained therein shall apply to the legal relationship between me and the Municipality.

Jurisdiction

Without prejudice to the rights of the Municipality, at its option, to institute proceedings in any other court having jurisdiction, the Municipality and the Customer hereby consent in terms of section 45 of the Magistrate Court Act, Act 32 of 1944, to the Municipality taking legal action for the enforcement of any rights under or arising from this agreement in a Magistrate Court, which has jurisdiction in respect of the Customer, in terms of section 28(1) of the Magistrates Court Act, notwithstanding the above will the parties have the right to approach the Supreme Court.

Payment for services

The Customer shall be liable for the payment of all and any municipal services consumed by the customer and/or delivered, supplied or rendered to the premises referred to in this agreement as well as the relevant and applicable fees, charges and tariffs levied by the Municipality regarding such services, before or on the date indicated on the monthly statement.

The Customer is also liable for the costs of debt collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, if applicable.

The Customer agrees that the non-receipt of a statement does not exempt the Customer from the



RAMOTSHERE MOILOA LOCAL MUNICIPALITY
SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

duty to enquire from the Municipality the outstanding debt on the account and to make payment to the Municipality of the debt.

Direct payments

Direct payments for electronic payments can be made into the bank account of the Ramotshere Moiloa Local Municipality: _____ Bank

Branch: _____

Account No.: _____

Branch Code: _____

In order to allow for the Municipality to process electronic payments, the Customer must state the municipal account number as reference with the deposit, and four (4) official business days must be allowed for processing.

Waiver

The Customer hereby expressly renounces the benefits of the non reason or profound cause of the existence of the debt, the cases where there is a element of bookkeeping or accounting calculation is involved, the revision of accounts, no value recorded and, if there is more than one debtor, the debtor is jointly or separately liable for the debt or the creditor obtains the right to first act against the guarantor before the main debtor is excused.

Domicilium

The Customer chooses as the address where notices must be delivered, the address indicated as street address on the front page of this agreement.

Change of address and/or information

The Customer expressly undertake to inform the Municipality within 3 (three) days after such occurrence:

1. or any change of any address indicated on the front page of this agreement;
2. of the change of any particulars or personal circumstances indicated on the front page of this agreement.

Discontinuation of service



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The Customer specifically agrees to inform the Municipality immediately in writing when the service is no longer required and specifically accept responsibility for the payment of services consumed as a result of any failure to inform the Council that the service is no longer required.

Indemnity

I hereby indemnify and hold harmless the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality from any liability of whatsoever nature for any loss or damages of whatsoever nature howsoever arising whether, direct or consequential, suffered or sustained, as a result of or arising from the provision, limitation, disconnection or termination, interruption or any other abnormality arising from the supply of municipal services, or any act or omission done by the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality.

Deposit

A deposit shall be forfeited to the Municipality if it has not been claimed within twelve (12) months or the termination of the service agreement.

I hereby confirm that I have read, know and understand the contents of this agreement and agree to be bound thereby.

APPLICANT

MUNICIPALITY

DATE

DATE

SIGNATURE OF OWNER
(if not Applicant)

DATE



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FOR OFFICE USE ONLY			
Deposit paid:	Date:		
	Amount:		
	Receipt No.:		
Account Number:			
Commencement of date of service:			
Area Code:			
Meter reading on commencement of services:	Electricity:		
	Water:		