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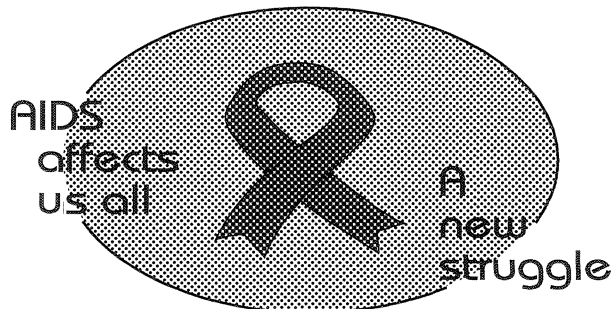
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LOCAL AUTHORITY NOTICE

No. 71

BUFFALO CITY METROPOLITAN MUNICIPALITY



Tariffs By-Law

Local Authority Notice
Buffalo City Metropolitan Municipality
Tariff By-law

**TO REGULATE THE SETTING OF TARIFFS WITHIN THE BUFFALO CITY
METROPOLITAN MUNICIPAL AREA**

THE BUFFALO CITY METROPOLITAN MUNICIPALITY HEREBY MAKES THE FOLLOWING BY-LAW IN TERMS OF SECTION 75(1) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, NO 32 OF 2000

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1. **DEFINITIONS**

In this By-law, unless the context otherwise indicates:

- **“Act”** means the Municipal Systems Act 2000, (Act 32 of 2000) (MSA);
- **“Average Historic Cost (AHC) of Sanitation”** means the total annual cost of the sanitation service (including capital charges, but excluding contributions to a capital development fund) divided by the total volume of sewage discharged for that year;
- **“Average Historic Cost (AHC) of Water”** means the total annual cost of the water service (including capital charges, but excluding surcharges and contributions to a capital development fund) divided by the total volume of billed water sales for that year;
- **“Commercial / Industrial Customer / user”** means consumers that are not defined as Domestic customers / users and includes halls, churches, schools, sports clubs, restaurants, theatres, consulting rooms, and all other commercial and industrial premises and residential establishments where a business license exists (such as hotels, bed and breakfast premises, hostels, retirement homes, etc);
- **“Commercial wastewater”** means the effluent discharged from a premise predominantly of a commercial nature (e.g. shops, offices, showrooms, service stations, hospitals, etc);
- **“Commercial water use”** means water supplied to premises predominantly of a commercial nature (e.g. shops, offices, showrooms, service stations, hospitals, etc);
- **“Connection fee”** means the fee payable as a contribution towards the cost of providing supply. This may be subsidised to facilitate the provision of services to poor households;
- **“Consumption based tariff”** means a tariff set as a Rand amount per measurable unit of service;

- **“Cost reflective tariff”** means a two part tariff consisting of a Service Charge and an Energy Charge or a three part tariff which includes a Demand Charge;
- **“Council” or “Municipality”** means the Buffalo City Municipality;
- **“CPIX”** means the consumer price index excluding mortgage costs as measured by Stats SA;
- **“Credit Meter”** means a meter where an account is issued subsequent to the consumption of the service (water or electricity);
- **“Demand Charge”** means the charge payable for each kilovolt-ampere (kVa) of the maximum demand supplied during any 30 consecutive minutes of the month;
- **“Domestic Customer / user”** means a customer in private residential establishments including houses, blocks of flats and town house complexes. It also includes *bona fide* residential establishments registered by the welfare Department;
- **“Domestic wastewater”** means effluent discharged from a premise not defined as commercial or industrial;
- **“Domestic water use”** means water that is used predominantly for domestic purposes, including garden irrigation;
- **“Energy Charge”** means a charge for each kilowatt-hour (kWh) of electrical energy;
- **“Green Energy”** means energy generated from a sustainable source such as solar, wind or wave;
- **“Indigent fund”** means a budget provision, funded from National Government transfers and Municipal rates, used to subsidize basic services;
- **“Industrial wastewater”** means wastewater arising from mining, manufacturing, electricity generation, land-based transport, construction or any related activities (consistent with definition of disposal of industrial effluent in the Water Services Act);

- **“Industrial water use”** means water which is used in mining, manufacturing, generating electricity, land-based transport, construction or any related purpose (follows definition in Water Services Act);
- **“Low Voltage (LV)”** means 230 volts single phase / 400 volts three phase;
- **“Medium Voltage (MV)”** means the set of voltage levels greater than 1kV up to and including 44kV;
- **“Meter”** means a device that records the demand and / consumption of a specific service (water or electricity) and includes Credit and Prepayment meters;
- **“municipal area”** means the area in respect of which the municipality has executive and legislative authority as determined by the constitution and the National legislation and the area as demarcated by the Demarcation Act (Act 27 of 1998);
- **“municipal council”** means a municipal council referred to in section 157 of the Constitution and for this policy includes a municipal local council and a municipal district council, as the case may be;
- **“NERSA”** means the National Energy Regulator of South Africa;
- **“Other wastewater”** means effluent discharged from a premise not defined as domestic, commercial or industrial;
- **“Other water use”** means all water used not defined as domestic, industrial or commercial water use;
- **“Point of supply”** means the point determined by the Service Provider at which the Service Provider supplies a specific service to any premises;
- **“Poor households”** means those households in the municipal area that cannot afford to pay either the entire tariff charge for the municipal services, or part of it. It also means those households in the municipal area living in property with a municipal property valuation of less than the threshold as determined by Council from time to time and earn less than the monthly income as determined by Council from time to time;
- **“Prepayment Meter”** means a meter that can be programmed to allow the flow of a pre-purchased amount of energy in an electrical circuit;

- **“Rates and General account”** means a budget provision used to fund other Municipal services excluding the electricity, water, sanitation and solid waste services;
- **“residential unit”** means a group of rooms, used for residential purposes, contained within a block of flats and which includes any undivided share of common property or any other portion of the property proportioned to that unit in terms of exclusive use, which shall include a garage or any other outbuildings;
- **“Schedule of Tariffs”** means a schedule containing details pertaining to levels and application of various tariffs as approved by the Municipality from time to time;
- **“Service Charge”** means a fixed charge to recover fixed costs such as capital, meter reading, billing, vending, maintenance, etc. It may be recovered as a daily or monthly charge, but it is not applicable to subsidised tariffs. It is applicable throughout the entire period during which the relevant premises are connected to the supply mains, irrespective of whether any services were used or not;
- **“Special Tariffs”** means a special tariff which may be introduced from time to time in terms of sub-paragraph 74(2)(g) of the Municipal Systems Act;
- **“Sundry Tariff”** means a charge for additional general services rendered such as reconnections, disconnections, meter testing, etc. These will be published in a tariff schedule, which may be adjusted from time to time;
- **“Tariff Policy”** means a policy on the levying of fees, rates or taxes for the municipal services provided by the municipality itself and that complies with the Municipal Systems Act 2000 (Act 32 of 2000);
- **“Total Municipal Account”** means a postulated current account based on medial bills for water, electricity, sanitation, solid waste services and rates. Sundry charges and interest on debt are excluded;
- **“Wheeling”** means the transport of electrical energy over the Service Provider’s network infrastructure.

2. INTRODUCTION

Tariffs represent the charges levied by Council on consumers for the utilisation of services provided by the Municipality. These are calculated dependent on the nature of the service being provided. They may be set in a manner so as to recover the full cost of the service being provided or recover part of the costs or bring about a surplus that can be utilized to subsidise other non-economical services.

3. SCOPE

3.1 The by-law is applicable to all tariffs for electricity, water, sanitation and solid waste services provided by the Buffalo City Metropolitan Municipality.

3.2 It is also applicable to all sundry tariffs, as provided for in the Schedule of Tariffs of the Municipality.

4. DIFFERENTIATION FOR TARIFF PURPOSES

Section 74(3) of the Municipal Systems Act allows for the differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters for tariff purposes, as long as the differentiation does not amount to unfair discrimination. The nature and basis for differentiation for tariff purposes in Buffalo City Metropolitan Municipality is set out below. Each municipal service is not compelled to differentiate for tariff purposes, but where it does, the differentiation must be consistent with the framework set out below. Categories must be defined in the Municipal Service By-law and a separate tariff must be applicable for each category that is defined.

4.1 Categories of Users

The following categories of user may be differentiated, provided that they are defined in the Municipality's Rates Policy:

- (a) Residential or Domestic;
- (b) Commercial or Industrial;
- (c) Agricultural or Farming;
- (d) Public Service Infrastructure;
- (e) Rural Communal Land;
- (f) Formally Protected Areas;
- (g) Education Institutions;
- (h) Vacant Properties;
- (i) Mining Properties; and
- (j) Museums, Libraries, National Monuments, National Botanical Gardens and Heritage Sites..

In addition, sub-categories of residential or domestic users may be differentiated based on any one or more of the following criteria in a manner defined in the Municipality's Indigent assistance scheme:

- (a) Settlement type;
- (b) Property Value;
- (c) Service consumption level;
- (d) Payment levels;
- (e) Household income; and
- (f) Type of connection.

4.2 Categories of Service

Categories of service may be differentiated, but only if the basic service is defined for that municipal service in the Municipality's Indigent assistance scheme. The following criteria may be used in defining different categories of service:

- (a) Type of service;

- (b) Category of user;
- (c) Level of consumption;
- (d) Type of connection; and
- (e) Time of use.

Certain categories of service may be restricted to certain categories of user. The basic service will be restricted to residential / domestic users.

4.3 Categories of Standards of Service

Different categories of standards of service may be defined for different categories of users or services. They may be based on:

- (a) Access; and
- (b) Frequency.

Categories of basic service may not have different standards of service.

5. TARIFF DETERMINATION PROCESS

In terms of Section 75(A) of the Municipal Systems Amendment Act, Act No. 51 of 2002, a municipality may operate such that:

- It can levy and recover fees, charges or tariffs in respect of any function or service of the municipality,
- Fees and charges levied are passed by the municipal council with a supporting vote of a majority of its members.
- The proposed tariffs will be presented to the community during Council's consultations process for the IDP / budget.

Except in special circumstances, such as a significant increase in the wholesale price of goods and services the Council purchases during a year to provide services, the Council will review its tariffs during the preparation of the annual budget in accordance with the policy stated above. Proposed tariffs will be

presented to the community during the Community consultation process about the budget.

Immediately after the Council has determined or amended a tariff, the municipal manager must cause a notice to be conspicuously displayed at a place installed for this purpose at all the offices of the Municipality and / or as well as at such other places within the municipal area as she / he may determine.

The notice must state:

- The general purpose of the resolution;
- The date on which the determination or amendment comes into operation, which date may not be earlier than 30 days after the determination or amendment;
- The date on which the notice is displayed;
- That any person who desires to object to such determination or amendment must do so in writing within 14 days after the date on which the notice was displayed; and
- That any person who cannot write may come, during office hours, to a place where a staff member of the Municipality named in the notice, will assist that person to transcribe her / his objection.

If no objection is lodged within the period stated in the notice, the determination or amendment will come into operation on the date determined by the Council.

Where an objection is lodged, the Municipality will consider every objection. The Council may, after it has considered all objections, confirm, amend, or withdraw the determination or amendment or may determine another tariff, on the date on which the determination or amendment will come into operation. After the Council has considered the objections it will again give notice of the determination, amendment or date as determined above and will also publish it as determined by the Council.

6. WATER TARIFFS

6.1 Consumer Categories

Water tariffs shall distinguish between at least three categories of consumers; namely Domestic water use, Industrial & Commercial water use and Other water use.

6.2 Domestic Consumer Categories

Water tariffs for Domestic consumers shall distinguish between significantly different levels and standards of services provided and shall include at least the following four categories of Domestic consumers:

- (a) Communal : Consumers (households) with access to communal water services (e.g. a public standpipe or a water-tanker service);
- (b) Controlled : Consumers with access to a controlled volume of water supply;
- (c) Full : Consumers with access to an uncontrolled volume of water supply which is metered; and
- (d) Cluster : Consumers where one meter serves a multi-residential unit development.

6.3 Metering

All connections providing an uncontrolled volume of water supply shall be metered and tariffs shall be applied in proportion to water use. The amount of water feeding standpipes in informal settlements without title deeds should also be measured to assess the impact of this free water on the service, but should not be billed.

6.4 Consumption Tariffs – Domestic

- (a) Communal : Where communal water supplies provide water for domestic use and where this water is, on average, less than 6 Kl per

household per month, then no charge shall be levied on domestic households for this water.

- (b) Controlled : Where water use is controlled to less than 6 Kl per connection per month then no charge shall be levied on domestic indigent households for this water. Where water in excess of 6 Kl per month is used a step tariff shall be applied to this additional water use, based on the AHC.
- (c) Full : Consumption tariffs for uncontrolled volume, metered domestic connections shall be based on an increasing block structure with the first block set at 6 Kl per indigent connection per month with a zero charge and the last block should be set at an amount that would deter unnecessarily high water use and would reflect the incremental cost that would be incurred to increase the water supply infrastructure to meet the incremental growth in demand. The rising block tariff structure should consist of at least five steps. The consumption level at which the last step begins should be at an amount that would encourage water conservation and should not be greater than 60 Kl per month.
- (d) Multi-Unit / Cluster : Consumption tariffs for multi-residential unit developments served by one meter will be set to recover at least the AHC once allowance is made for the free water allocation to the indigent. An allowance of 6 Kl per indigent unit will be available at zero cost upon submission of a signed affidavit stating the number of residential units supplied from that metered connection.

6.5 Consumption Tariffs – Industrial, Commercial and Other

Apart from instances where special tariffs are applied in terms of 6.7 above, the consumption tariffs for all other consumers should be set equal

to at least the AHC. Separate consumption categories should be kept for Sporting Bodies / Schools and Municipal consumption to assist in Water Demand Management measures.

6.6 Consumption Tariffs – Schools, sports fields, clubs, churches, charities, etc.

The consumption tariff for these consumer groupings shall be the same as defined above for Industrial and Other.

6.7 Consumption Tariff for the provision of a Bulk Water Supply

The bulk water tariff is used to charge for bulk supply of potable water to consumers external to the Municipality, such as other local authorities who are dependent on part or all of their potable water supplies from Buffalo City Municipality and is also used as the basis for internal charges for the bulk supply of potable water within the Water and Sanitation Department.

The bulk water tariff is set on an annual basis to ensure full cost recovery for the provision of the bulk water service as well as the long term sustainability of the service.

6.8 Surcharge

The water tariff may include surcharges, subject to Council approval.

6.9 Fixed Charges – Domestic

There shall be no fixed monthly charge for consumers with uncontrolled volume connections. The domestic water tariff should, however, take into account and reflect these costs that are based on the cost of maintaining the water connection.

6.10 Fixed Charges – Industrial and Other

Monthly fixed charges for Industrial and Other connections shall be related to the size of the connection. The charge shall be based on the historic costs of maintaining the connection. Cost allocations should be clearly set up to ensure that historical costs can be measured and used effectively to determine accurate tariff charges that are truly cost reflective.

6.11 Connection Charges

Connection charges for all consumer categories, except domestic consumers with controlled access to water supply, shall recover the full costs of connection. Cost allocations should be clearly set up to ensure that historical costs could be measured and used effectively to determine accurate tariff charges.

6.12 Flow restriction for non-payment

Domestic consumers with uncontrolled volume connections who fail to pay shall, after due process, have their uncontrolled water connections restricted.

6.13 Illegal re-connections

Consumers who, after having been disconnected for non-payment, reconnect illegally shall forfeit the right to the free basic water allocation until such time as the outstanding debt has been paid in full.

6.14 Disconnections – Other

All consumers with uncontrolled volume connections shall be disconnected for failure to pay after due process has been followed.

6.15 Water restriction tariffs

Special tariffs may be introduced during periods of water restrictions to reduce water use to within sustainable limits. A separate tariff schedule for water restrictions shall be developed.

6.16 Subsidies

Reasonable and appropriate cross-subsidisation may be applied between consumer categories. All applied subsidies (including those within and between consumer categories) must be disclosed to the extent that this is practical.

6.17 Departures

Departures from the above principles may only be made where there are sound practical reasons that prevent the implementation of the policy at the present time and / or where the phased adoption of the policy or policies would reduce an otherwise onerous burden on Council and / or consumers. The reasons for any departures must be recorded in writing.

6.18 Availability Charge

An availability charge shall apply to serviced vacant or undeveloped land.

7. SANITATION TARIFFS

7.1 User Categories

Sanitation tariffs shall distinguish between at least three user categories; namely Domestic users, Industrial & Commercial users and Other users.

7.2 Domestic User Categories

The Sanitation tariff structure for domestic users shall distinguish between significantly different levels and standards of services and shall include at least the following five categories for domestic users:

- (a) Communal : Users (households) with access to communal sanitation facilities (Rudimentary sanitation and communal ablution facilities);
- (b) Full : Users with waterborne sanitation and uncontrolled discharge to a sewer network;
- (c) On-Site Waterborne : Users with waterborne sanitation collected on site (Septic Tanks);
- (d) On-Site : Users with a non-waterborne system collected on site (Bucket, Container or VIP); and
- (e) Multi-Unit / Cluster : Users where one connection point serves a multi-residential unit development (Flats, Townhouses).

7.3 Universal Billing

All users are to be billed, unless provided with a rudimentary or basic service such as communal facilities.

7.4 Tariffs – Domestic

- (a) Communal : No charge shall be rendered for the use of communal facilities.
- (b) Full : Sanitation tariffs for domestic users are based on the size of the erf.
- (c) On-Site Waterborne : Sanitation tariffs for this category of user are based on a clearance of at least once every 3 weeks per 4,5 kl load or part thereof.
- (d) On-Site : This tariff shall be a fixed charge where necessary in the informal areas, depending on the mechanism. Different tariffs may apply to different systems.
- (e) Multi-Unit / Cluster : Sanitation tariffs for users in multi-residential unit developments are based on the size of the property.

7.5 Tariffs – Industrial and Commercial

Sanitation tariffs for Industrial and Commercial users are based on a Pan charge per pan, plus an area charge based on the area of the land in square meters.

7.6 Tariffs – Other: Schools, Hospitals, Churches, Halls, Sporting Bodies, Municipal users, etc

Sanitation tariffs for users in this category are based on a Pan charge per pan.

7.7 Surcharge: Extraordinary treatment cost

Where the pollution loading (quality) of wastewater discharged into the sewerage system exceeds the pollution loading of ordinary domestic wastewater, the specific user or industrialist will have to accept responsibility for the additional treatment cost.

This additional charge shall be based on the formulae as stipulated in the applicable sanitation by-law. This additional charge shall be billed monthly.

7.8 Connection Charges

Connection charges for all consumer categories shall recover the full costs of the sewer connection. Correct cost allocation should be set up in the financial system to ensure that costs are recovered by the relevant tariff and that no inappropriate subsidisation occurs.

7.9 Disconnections

Due to the health risk related to effluent, a sewerage connection should not be disconnected if a user fails to pay. The water supplied to the user may be restricted in terms of the Credit Control and Debt Collection Policy that in turn will minimize the effluent discharge.

7.10 Availability Charge

An availability charge shall apply to serviced vacant or undeveloped land.

7.11 Subsidies

Reasonable and appropriate cross-subsidisation may be applied between consumer categories. All applied subsidies (including those within and between consumer categories) must be disclosed to the extent that this is practical.

7.12 Departures

Departures from the above principles may only be made where there are sound practical reasons that prevent the implementation of the policy at the present time and / or where the phased adoption of the policy or policies would reduce an otherwise onerous burden on Council and / or consumers. The reasons for any departures must be recorded in writing.

8. **UNDERGROUND LEAKAGE REBATES ON WATER ACCOUNTS**

8.1 Plumbing leaks subject to the rebate system

Rebates shall only be granted in the case of leaks that are not visible to the eye on the erf's primary plumbing which would normally be kept pressurized for normal household activity requirements.

8.2 Derivation of rebates for underground leaks

Rebates for underground leaks shall be determined by establishing the difference between the "average" consumption over a corresponding consumption period and the increased consumption resulting from the underground leak.

This difference shall then be halved and the consumer shall be charged for the half of the consumption associated with the underground leak at a rate deemed to be the reticulated water cost.

The reticulated water cost, (Rc), shall be derived as follows:

- $Rc (R / KI) = \text{Bulk Water Cost } (R / KI)$
- plus estimated distribution cost (excluding contribution to any Rates, Tariff stabilization, Asset financing funds in Rands), divided by estimated water sales in KI.

8.3 Time period over which the rebate will extend

It is considered reasonable that two months of actual metered high water consumption would be sufficient time to alert a consumer to the possibility of water leakage. A further month is considered a reasonable time to have the leak repaired. Accordingly, the total period over which the rebate will extend is defined as the period covering the last three municipal bills based on actual water meter readings.

8.4 Steps to minimize the abuse of the rebate system

All rebate claims will be subjected to the production of a certificate by the claimant, detailing the exact location of the leak on the property, the nature of the leak and the steps taken to repair the leak. The Council reserves the right to inspect all leakage repairs that are subject to rebate claims. The Council also reserves the right to grant rebates at its sole discretion.

Each erf shall be limited to two rebate claims in each twelve-month period. A property shall also be limited to a maximum of three rebates.

All documentation around rebate claims shall be filed for audit scrutiny as and when required.

9. ELECTRICITY TARIFFS

9.1 Electricity Tariffs

Electricity tariffs may consist of Cost Reflective tariffs, Connection Fees, Sundry tariffs, Special tariffs, Development Levies and Subsidised tariffs as contained in the Schedule of Tariffs.

Any approved increases in the tariff shall be applied to the monthly accounts on a pro-rata basis from the day on which the revised tariff is implemented.

9.2 Categories of users

Electricity consumption based tariffs shall distinguish at least between Domestic Customers and Commercial / Industrial Customers and shall have sub-categories for Domestic Customers based on levels of service consumption and / or type of connection. Domestic tariffs are not dependant on the type of meter installed.

9.3 Categories of service

Electricity tariffs shall be defined for different categories of service provided where these categories of service are based on:

- (a) Type of service (may include Wheeling and the supply of Green Energy);
- (b) Level of Service Consumption;
- (c) Type of Connection; or
- (d) Time of use.

9.4 Application of tariffs

Electricity tariffs shall be applied consistent with the categories of users and categories of service, provided that final discretion resides with the Service Provider.

9.5 Consumption Based Tariffs

Electricity consumption based tariffs shall include cost reflective tariffs and subsidised tariffs.

9.6 NERSA Approval

Electricity consumption based tariffs shall be approved by NERSA.

9.7 Universal Metering

The supply of electricity shall be metered by means of a meter at the point of supply or at an alternate point determined by the Service Provider.

Where the supply to a premises is transferred to a different customer more than twice in a twelve-month period, e.g. holiday homes, or the credit risk is high, the owner of the property may be required to install a pre-payment meter.

9.8 Availability Charge

An availability charge shall apply to serviced vacant or undeveloped land.

9.9 Departures

Departures from the above principles may only be made where there are sound practical reasons that prevent the implementation of the policy at the present time and / or where the phased adoption of the policy or policies would reduce an otherwise onerous burden on Council and / or consumers. The reasons for any departures must be recorded in writing.

10. SOLID WASTE MANAGEMENT TARIFFS

10.1 Categories of users

Council shall distinguish all waste collection services between three user categories, namely: Residential properties, Non-residential properties, Institutions and Vacant properties. Waste management tariffs for Council-provided services, or those provided by other entities on behalf of Council, shall accordingly distinguish between the same three user categories.

10.2 Residential Properties

A separate fixed monthly refuse removal charge, based on the costs of the service concerned, shall apply to all Domestic users for once weekly removal strictly two bags of refuse and one bag of Garden Refuse. Residential properties will be billed in terms of the prevailing service, irrespective whether the service is used or not, or whether no waste is generated.

In all instances the property owner will be billed and not the tenant. Council will not enter into an agreement for service delivery or additional service delivery with a tenant. Only in the case of Sectional Title developments will the Body Corporate be billed. Existing billing of tenants will be phased out.

10.3 Non-residential Properties

The waste management tariff structure for Business and other users shall distinguish between five different levels and standards of service, namely:

- (a) twice weekly removal (85, 240 & 420L bins);
- (b) thrice weekly removal (85, 240 & 420L bins);
- (c) 4 times weekly removal (85, 240 & 420L bins);

- (d) 5 times weekly removal (85, 240 & 420L bins); and
- (e) bulk consumers (6m³ containers, 0.77 cubic metre and 1.1 cubic metre sprico's)

Billing categories will be per application and in accordance with the Credit Control and Debt Collection Policy. Non-residential properties will be billed in terms of a fixed agreement. The charges will not be variable, irrespective whether the service is used or not, or whether no waste is generated. In all agreements the property owner will be billed and not the tenant. Existing agreements with tenants will be phased out.

10.4 Vacant Land/Properties

The waste management tariff structure for Vacant Properties provides for a fixed availability charge, irrespective of its current or future zoning. All vacant properties within the municipal area are considered to be serviceable. Billing is automatic and no service delivery agreement is required. The account is directly linked to the vacant erf number and served on the property owner.

10.5 Waste disposal

(a) Transfer Stations

Disposal of general waste at transfer stations are based on a fixed rate per mass of waste disposed, including an additional rate for transport, based on the mass of waste disposed or the carrying capacity of the vehicle.

(b) Disposal Sites (excluding Transfer Stations)

Disposal of general waste at disposal sites (other than transfer stations) are based on a fixed rate per mass of waste disposed or the carrying capacity of the vehicle.

10.6 Area Cleaning

Illegal dumping and or cleaning before, at or after events will be based on actual cost plus a % for Administrative Costs.

10.7 Application for supply of services: Solid Waste

All property owners must complete the application form for the supply of services on registration of the property or anytime subsequent on change of service level requirements.

10.8 Adjustment to Accounts

An executive official shall have delegated authority to adjust accounts on documented proof of an amended service level (agreement, letter, etc) and the applicable date of change. If no proof of amended service level exists and the service level verified by Council is different to the financial billing, then it will be corrected from date of first report.

10.9 Subsidies

Reasonable and appropriate cross-subsidisation may be applied between user categories. All applied subsidies (including those within and between user categories) must be disclosed to an extent where it is practical.

10.10 Departures

Departures from the above principles may only be made where there are sound practical reasons that prevent the implementation of the policy at the present time and / or where the phased adoption of the policy or policies would reduce an otherwise onerous burden on Council and / or consumers. The reasons for any departures must be recorded in writing.

10.11 Terminations

Termination of service is to be done by letter, e-mail, fax or standard disconnection form. If this is not done, then the disconnection date of electricity supply may be taken as the date of termination.

11. OTHER MINOR TARIFFS

- 11.1 All minor tariffs shall be standardised within the municipal region;
- 11.2 All minor tariffs shall be approved by the Council in each annual budget and shall, when deemed appropriate by the Council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot be determined accurately, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.
- 11.3 All minor tariffs over which the municipality has full control, and which are not directly related to the cost of a particular service, shall annually be adjusted at least in line with the prevailing CPIX, unless there are compelling reasons why such adjustment should not be effected.
- 11.4 All minor tariffs shall be applicable to sundry services rendered by the Municipality and could be categorized as economic services, subsidized services or community services.
- 11.5 Minor tariffs will be set for, but not be limited to the following services:
- Administration services;
 - Boat registration;
 - Building plan fees;
 - Burials and cemeteries;

- Clearance certificates;
- Connection fees in respect of electricity, water and sewerage;
- Development planning services;
- Environmental services;
- Fees payable in terms of the Access to Information Act;
- Fire and Emergency services;
- Fresh produce market;
- Grave and garden of remembrance (cremations) maintenance;
- Housing rentals;
- Livestock and plant sales;
- Municipal Aquarium;
- Municipal botanical garden and all other parks and open spaces;
- Municipal hall and other premises rental(subject to the proviso set in [11.7] below);
- Municipal lending library (except for fines set out in [11.6] below);
- Municipal museum and Art gallery;
- Municipal reference library;
- Municipal sports facility rental;
- Municipal swimming pools and beaches;
- Municipal zoo;
- Municipal resorts and caravan parks;
- Photostat copies and fees;
- Refuse bag sales;
- Refuse bin sales;
- Scientific services;
- Stand / plot clearing services.
- Rental of bulk containers

11.6 The following charges and tariffs shall be considered as regulatory or punitive and shall be determined as appropriate in each budget:

- Fines for lost or overdue library books;

- Advertising sign fees;
- Pound fees;
- Disconnection and reconnection fees for electricity and water;
- Penalty and other charges imposed in terms of the approved policy on Credit Control and Debt Collection;
- Penalty charges for the submission of dishonoured, stale, post-dated or otherwise unacceptable cheques

11.7 Market related rentals shall be levied for the lease of municipal properties at all times. If, however, in the case of rentals for the use of municipal halls and premises, the Municipal Manager is satisfied that the halls or premises are required for non-profit making purposes **and** for the provision of a service to the community, he / she may waive a portion of the applicable rental;

11.8 The Municipal Manager shall determine whether an indemnity or guarantee must in each instance be lodged for the rental of municipal halls, premises and sports fields and, in so determining, shall be guided by the likelihood of the municipality sustaining damages as a result of the use of the facilities concerned;

11.9 The Municipal Manager shall maintain a list of all minor services indicating their unit of service for the purposes of determining tariffs, fees, charges and levies. Such list shall be reviewed annually together with the proposed tariffs, fees charges and levies.

12. ENFORCEMENT OF TARIFF POLICY

Buffalo City Municipality's Tariff Policy shall be enforced through the Credit Control and Debt Collections By-Law and Policy and any further enforcement mechanisms stipulated in Buffalo City Municipality's rates policy.

13. OPERATIVE DATE

This By-Law shall take effect on 1 July 2014.

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