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GENERAL NOTICE

No. 12

KOUGA MUNICIPALITY

NOTICE NO. 99/2014

CREDIT CONTROL AND DEBT COLLECTION BYLAW

Notice is hereby given in terms of Section 156 of the Constitution of the Republic of South Africa and section 75 of the Local Government System Act : Municipal System Act that the Council on 30 May 2014 approved the Credit Control and Debt Collection Bylaw with effect from 1 July 2014.

Council Resolution (14/05/F26) regarding the above matter may be inspected at the Jeffreys Bay Municipal offices, all satellite offices and libraries as well as on the Municipal Website www.kouga.gov.za

MR SS FADI
MUNICIPAL MANAGER

P.O. Box 21
JEFFREYS BAY
6330

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PREAMBLE

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

AND WHEREAS section 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;

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.

AND WHEREAS section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (*the Systems Act*) provides that the Council of a municipality has the right to finance the affairs of the municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

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

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, of the costs involved and the persons in charge;

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

IT IS HEREBY ADOPTED: a credit control and debt management bylaw of the KOUGA Municipality.

DEFINITIONS

For the purpose of this bylaw, the wording or any expression has the same meaning as contained in the Act, except where clearly indicated otherwise and means the following:

- “Act”*** The Local Government Act: Systems Bill, 2000 (Act No 32 of 2000) as amended from time to time;
- “Arrangement”*** A written agreement entered into between the Council and the debtor where specific repayment parameters are agreed to.
- “Arrears”*** Means those rates and service charges that have not been paid by the due date and for which no arrangement has been made.
- “Authorized Representative”***
Person or instance legally appointed by the Council to act or to fulfil a duty on its behalf;
- “CFO”*** Person appointed as the Chief Financial Officer of the Municipality, or his or her nominee.
- “Council”*** The municipal council, as referred to in section 157 of the Constitution of the Republic of South Africa Act 108 of 1996, of the KOUGA Municipality established by part 10 of provincial notice 110, dated 2 December 2000;
- “Credit Control”*** All the functions relating to the collection of monies owed by ratepayers and the users of municipal services.

- “customer”* Any occupier of any premises to which Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality;
- “defaulter”* Any Person who owing the Council arrear monies in respect of rates and / or service charges;
- “engineer”* The person in charge of the civil and/or electrical component of Council;
- “equipment”* A building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;
- “Implementing Authority”*
Means the Municipal Manager or his or her nominee, acting in terms of section 100 of the Systems Act.
- “interest”* A charge levied with the same legal priority as service fees and calculated at a rate determined by council from time to time on all arrear monies;
- “municipal account”*
An account rendered specifying charges for services provided by the municipality, or any authorised and contracted service provider, and/or assessment rates levies;
- “Municipality”* Means the KOUGA Municipality.

“Municipal Manager”

The person appointed as Municipal Manager in terms of section 82 of the Local Government: Structures Act, 1998, (Act 117 of 1998) and include any person acting in that position or to whom authority was delegated;

“municipal services”

Those services provided by the municipality, such as, inter alia the supply of water and electricity, refuse removal, sewerage treatment, and for which services charges are levied;

“occupier”

Any person who occupies any property or part thereof, without regard to the title under which he or she occupies the property,

“owner” –

- (a) The person in whom from time to time is vested the legal title to premises;
- (b) In a case where the person in whom the legal title is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;
- (c) In a case where the Council is unable to determine the identity of such person, a person who is entitled to the benefit of such premises with a building thereon;
- (d) In the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;
- (e) In relation to-

- i. A piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act 1986, (Act 95 of 1986), and without restricting the above the developer or the body corporate in respect of the common property; or
 - ii. A section as defined in such Act, the person in whose name such a section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
- (f) Any legal person including but not limited to-
- i. A company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a trust, a closed corporation registered in terms of the Closed Corporations Act, 1984 (Act 69 of 1984) and a voluntary association;
 - ii. Any department of State;
 - iii. Any Council of Board established in terms of any legislation applicable to the Republic of South Africa;
 - iv. Any Embassy or other foreign entity;

“premises”

Includes any piece of land, the external surface boundaries of which are delineated on-

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

“Supervisory Authority”

Means the Executive Mayor of the Municipality or his or her nominee, acting in terms of Section 99 of the Systems Act.

1. PRINCIPLES

- 1.1 The administrative integrity of the municipality must be maintained at all costs. The democratically elected councillors are responsible for policy/bylaw making, while it is the responsibility of the Municipal Manager to ensure the execution of these policies.
- 1.2 All customers must complete an official application form, formally requesting the municipality to connect them to service supply lines. Existing customers may be required to complete new application forms from time to time, as determined by the Municipal Manager.
- 1.3 Owners and tenants will complete a contractual agreement where owners give permission to the Kouga Local Municipality to supply services to the tenant.
- 1.4 A copy of the application form, conditions of services and extracts of the relevant council's credit control and debt collection bylaw and by-laws must be handed to every customer on request at such fees as may be prescribed by Council.
- 1.5 Billing is to be accurate, timeous and understandable.
- 1.6 The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- 1.7 The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- 1.8 Enforcement of payment must be prompt, consistent and effective.
- 1.9 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, penalties, loss of rights and criminal prosecutions.
- 1.10 Incentives and disincentives may be used in collection procedures.

- 1.11 The collection process must be cost-effective.
- 1.12 Results will be regularly and efficiently reported by the Municipal Manager and the Executive Mayor.
- 1.13 Non-payment of accounts will serve to, inter alia, categorise customers according to credit risk and to determine relevant levels of services and deposits required.

2. DUTIES AND FUNCTIONS

2.1. Duties and Functions of Council

- 2.1.1. To approve a budget consistent with the needs of communities, ratepayers and residents.
- 2.1.2. To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.
- 2.1.3. To facilitate sufficient funds to give access to basic services for the poor.¹
- 2.1.4. To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.²
- 2.1.5. To set an improvement target for debt collection, in line with acceptable accounting ratios and the ability of the Implementing Authority.³
- 2.1.6. To approve a reporting framework for credit control and debt collection.
- 2.1.7. To consider and approve by-laws to give effect to the Council's policy.

¹ Preferably, the total equitable share should be set aside for this purpose.

² The bad debt provision should at least reflect the increase in debtors during the previous financial year. The amount provided for can only be reduced by the amount provided for working capital.

³ A realistic target would be to improve on the previous year's result by 3% - 5%. The target should be reviewed every year until the turnover rate of debtors is between 60-90 days.

- 2.1.8. To monitor the performance of the Executive Mayor (Supervising Authority) regarding credit control and debt collection.
- 2.1.9. To revise the budget should Council's targets for credit control and debt collection not be met.
- 2.1.10. To take disciplinary and/or legal action against councillors, officials and agents who do not execute council policies and by-laws, or act improperly in terms of such policies.
- 2.1.11. To approve a list of attorneys that will act for Council in all legal matters relating to debt collection.
- 2.1.12. To delegate the required authorities to monitor and execute the credit control and debt collection bylaw to the Executive Mayor and Municipal Manager and Service Provider respectively.
- 2.1.13. To provide sufficient capacity in the Municipality's Financial Department for credit control and debt collection.
Alternatively to appoint a Service Provider, or debt collection agent.
- 2.1.14. To assist the Municipal Manager in the execution of his duties, if and when required.
- 2.1.15. To provide funds for the training of staff.

2.2 DUTIES AND FUNCTIONS OF EXECUTIVE MAYOR

- 2.2.1 To ensure that Council's budget, cash flow and targets for debt collection are met and executed in terms of the policy and relevant by-laws¹.
- 2.2.2 To monitor the performance of the Municipal Manager in implementing the policy and by-laws².
- 2.2.3 To review and evaluate the policy and by-laws in order to improve the efficiency of Council's credit control and debt collection procedures, mechanisms and processes³.
- 2.2.4 To report to Council.

2.3 DUTIES AND FUNCTIONS OF THE MUNICIPAL MANAGER

- 2.3.1 To implement good customer care management systems.
- 2.3.2 To implement council's credit control and debt collection bylaw.
- 2.3.3 To install and maintain an appropriate accounting system.
- 2.3.4 To bill customers.
- 2.3.5 To demand payment on due dates.
- 2.3.6 To raise penalties for defaults.
- 2.3.7 To appropriate payments received.
- 2.3.8 To collect outstanding debt.
- 2.3.9 To provide different payment methods.
- 2.3.10 To determine credit control and debt collection measures.

Section 99 of the Local Government: Municipal Systems Act, 2000 provides that the executive committee must –a) Oversee and monitor -

¹ (i) The implementation and enforcement of the municipality's customer care, credit control and debt collection policy and any by-laws enacted in terms of section 98; and

² (ii) The performance of the municipal manager in implementing the policy and any by-laws.

³ (b) When necessary, evaluate or review the policy and any by-law, or the implementation of the policy or such by-laws, in order to improve efficiency of its credit control and debt collection mechanisms, processes and procedures; and

- 2.3.11 To determine all relevant work procedures for, inter alia, public relations, arrangements, disconnections of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- 2.3.12 To instruct attorneys to proceed with the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders etc.).
- 2.3.13 To set performance targets for staff.
- 2.3.14 To appoint staff to execute council's policy and by-laws in accordance with council's staff policy.
- 2.3.15 To delegate certain functions to heads of departments.
- 2.3.16 To determine control procedures.
- 2.3.17 To monitor contracts with service providers in connection with credit control and debt collection
- 2.3.18 To report to the Executive Mayor.

2.4 DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

- 2.4.1 To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.
- 2.4.2 To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality.
- 2.4.3 To observe the mechanisms and processes of the municipality in exercising their rights.
- 2.4.4 To allow municipal officials access to their property to execute municipal functions at a time that is agreeable by the consumer and municipal officials.
- 2.4.5 To comply with the by-laws and other legislation of the municipality.
- 2.4.6 To refrain from tampering with municipal services and property.

2.5 DUTIES AND FUNCTIONS OF WARD COUNCILLORS

- 2.5.1 To hold regular ward meetings.
- 2.5.2 To adhere to and convey council policies to residents and ratepayers.
- 2.5.3 To adhere to the Code of Conduct for Councillors.
- 2.5.4 Ward Committees will act in terms of roles and functions as approved by Council.

3. AREA OF APPLICATION

This bylaw applies throughout the area of the Municipality.

4. APPLICATION FOR SERVICES

- 4.1 Consumers who require a service must enter into a written service agreement with the municipality.
- 4.2 The process must occur ten (10) days prior to taking occupation of the premises, so that the Municipality can ensure that a meter reading is taken on the appropriate day and that the services are available when occupation is taken. Failure to adhere to the timeframe may result in customers not having the services available when occupation is taken.
- 4.3 The Municipality will render the first account after the first meter reading cycle to be billed following the date of signing the service agreement.
- 4.4 Consumers who illegally consume services without this agreement will be subject to punitive action.

5. CUSTOMER SERVICE AGREEMENTS

- 5.1 Customer service agreements are those agreements that will be from time to time be entered into between the customer and the Municipality for the supply of municipal services.
- 5.2 The contents of the agreement includes this bylaw as well as:

An undertaking by customers:

- That they are liable for the costs of collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees;
- That any alleged non-receipt of an account does not stop the collection process;

An undertaking by Council:

- That it will deliver accounts to customers.
- That it will inform customers that they are required to request statements in the event that they do not receive an account.

5.3 Owners and tenants will complete a contractual agreement where the owner gives permission to the Kouga Local Municipality to supply services to the tenant. This agreement will provide for the owner being held responsible for the debt if not paid by the tenant.

6. DEPOSITS AND GUARANTEES

6.1 The deposits are payable when new customers sign-on and when existing customers move to a new supply address.

Guarantees are only permitted for businesses and only under circumstances as determined by Council from time to time.

6.2 Customers must pay a deposit equal to an amount as determined by Council from time to time.

6.3 The Municipality may increase deposits to an amount equal to one month's billing.

7. ACCOUNTS AND BILLING

7.1 Customers will receive one consolidated bill for all services to a property, which is situated within the boundaries of the Municipality.

7.2 Accounts are produced in accordance with the meter reading cycles.

7.3 An account will be rendered each month in cycles of approximately 30 days.

- 7.4 The Municipality will undertake to have the accounts delivered to all consumers. However non-receipt of an account does not prevent interest charges and debt collection procedures. In the event of non-receipt of an account, the onus rests on the account holder to obtain a free copy of the account, before the due date.
- 7.5 Accounts must be paid on the due date as indicated on the account. Interest on arrears will accrue after due date if the account remains unpaid irrespective of the reason for non-payment.
- 7.6 Payments for accounts 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 municipal bank account on or before the due date and not later than the close of Business.
- 7.7 Consumers will be notified of their unpaid accounts prior to the commencement of the debt collection process.
- 7.8 Non-payment of the account will result in debt collection action in terms of this section 15 of this bylaw.

8. METERING OF CONSUMABLE SERVICES

- 8.1 The municipality may introduce various metering equipment and customers may be encouraged to convert to a system preferred by the municipality.
- 8.2 Customers who default (fail to pay by a due date) may be required by the municipality to convert to another metering system.
- 8.3 Prepayment metering is the preferred installation for all new domestic and where applicable, business accounts.
- 8.4 Meters (credit) will be read monthly. Should circumstances prevent reading the Municipality is entitled to estimate a reading that is within reason comparable to past consumption.
- 8.5 A Customer is responsible to ensure access to metering equipment at a time that is agreeable by the consumer and the municipal officials and will accept any cost to ensure access (such as relocating the meter) if satisfactory access is not possible.

8.6 Voluntary readings:

- These will be permitted provided the municipality obtains any final reading should the customer move to another supply address.
- Customers may be liable for a fee to cover the costs of obtaining a reading if no advance warning is given and special arrangements are required to obtain a reading.
- The Municipality is entitled to make suitable adjustments to the readings should the debtor fail to ensure that a final reading is obtained.
- An audit reading during the normal reading cycles must be obtained once every six months. If a special audit reading becomes necessary this will be done at the cost of the consumer.
- The customer may elect to supply voluntary readings subject to compliance with the rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the customer fails to ensure the audit reading is obtained or should the customer fail to render readings on two consecutive occasions.

8.7 Routine or special maintenance of metering equipment will be communicated to the customer. The meter replacement advice will indicate the removal reading.

9. VALUATION OF PROPERTIES

9.1 All properties within the boundaries of the KOUGA Municipality are to be valued in terms of the legislation, applicable to the valuation of properties for the purpose of levying property rates.

10. CUSTOMER ASSISTANCE PROGRAMMES

These are programmes that the Municipality has designed to assist customers meet their obligations, such as:

- 10.1 Water leak rebates;
- 10.2 Rates rebates;
- 10.3 Arrangements for settlement;
- 10.4 Payment of rates annually;
- 10.5 Indigent assistance scheme.
- 10.6 Free basic services

10.1 WATER LEAK REBATE

Excess charges due to water leaks on the account will be recalculated in terms of the "Water Leak" tariff, provided that the following conditions are applied:

- That the leak be repaired within 48 hours of detection.
- That a certificate from a registered plumber or, in the event that the leak was repaired by someone other than a registered plumber, a sworn affidavit must reach the Municipality within ten (10) days of the leak having been repaired.

10.2 RATES REBATE

Rebates on rates may be granted by Council in terms of Council's rating policy.

10.3 ARRANGEMENTS FOR SETTLEMENT

10.3.1 Arrangements are permissible for debtors who experience difficulties in paying their accounts.

10.3.2 The terms applicable for the settlement of arrear debt will be as approved by Council from time to time.

10.4 PAYMENT OF RATES ANNUALLY

10.4.1 Owners may pay the property rates annually on or before the 30th of September each year.

10.4.2 Interest shall accrue on all annually paid rates accounts if they are not paid by the due date as indicated on the account.

10.5 INDIGENT ASSISTANCE SCHEME

An account holder may apply to the Municipality, in the prescribed manner, to be declared indigent provided that the following conditions are applied:

- That the gross household income not exceed the poverty threshold value as determined by Council from time to time.

- That the Municipality may inspect the property occupied by the applicant and in respect of which municipal services are rendered to assess the merits of the application.
- Any aggrieved person who was not successful in the application to be regarded as indigent may lodge an appeal to the Chief Financial Officer within a period of ten (10) days from the date on which the aforesaid decision has been communicated to him/her.

10.6 FREE BASIC SERVICES

Council will provide free basic services to domestic debtors, on a monthly basis as determined from time to time.

11. COMMUNICATION

- 11.1 The municipality will at its own cost make the Credit Control and Debt Collection Bylaw brochure available to the community. Any amendments may be communicated in a newsletter from time to time.
- 11.2 Councillors must from time to time, address ward committees on the contents of the bylaw and any amendments thereto.

12. PAYMENT FACILITIES AND METHODS

- 12.1 Municipal payment and enquiry facilities will be maintained subject to acceptable levels of activity when compared to the operational costs. The Municipal Manager or his/her designate has the discretion to open and close offices as required.
- 12.2 The consumer acknowledges that any agent used for transmitting payments to the Municipality is at the risk and cost of the consumer. In addition the consumer must take into account the transfer time of the particular agent.
- 12.3 A range of payment methods are available and may be extended as required subject to financial implications. The Municipality shall actively monitor the effectiveness of pay facilities, methods and convenience for consumers.

- 12.4 The Chief Financial Officer shall allocate payments according to pre-determined priorities.

13. ENQUIRIES AND APPEALS

- 13.1 Any resident or consumer who may feel aggrieved concerning his/her account may address a grievance / appeal to the Municipal Manager or Chief Financial Officer or visit any Customer Care Office provided by the municipality.
- 13.2 A customer who has lodged an enquiry is not relieved of the responsibility to maintain regular payment of the account. An interim payment similar to the average account must be paid by the due date pending finalisation of the enquiry. Failure to make a payment will result in debt collection action been instituted against the customer.
- 13.3 Depending on the nature of the enquiry and the resources available, the enquiry must receive a response within 10 days.
- 13.4 If a customer has received a response and is still not convinced that the account is not correct, the customer may approach the relevant Ward Councillor to assist with the enquiry.

14. TENDERS FOR BUSINESS

The Procurement Policy and Tender Conditions of the Municipality will include the following:

- 14.1 When inviting tenders for the provision of services or delivery of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the municipality a certificate stating that all relevant municipal accounts owing by the tenderer and/or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears.
- 14.2 No tender will be allocated to a person/contractor until a suitable arrangement for the repayment of arrears, has been made. No further debt may accrue during contract period.
- 14.3 A condition allowing the municipality to deduct any moneys owing to the municipality from contract payments.

15. DEBT COLLECTION

The Chief financial Officer is authorised to institute these mechanisms without exception and with the intention of proceeding until the debt is collected.

The following mechanisms are to be used to collect:

- 15.1 Disconnection / restriction of metered services for all overdue rates and service charges.
- 15.2 Barring from buying prepayment services by debtors who are in arrears with rates and service charges, and or 30% of the purchases of electricity and water will be taken towards the arrears;
- 15.3 Allocating a portion of any payment for prepayment services to arrear debt.
- 15.4 Insisting on prepayment supplies be installed at the cost of the debtor.
- 15.5 Emolument attachment orders on debtors' salaries.
- 15.6 Withholding of rates clearance certificates under certain conditions. (Refer to section 118 of the Systems Act of 2000.)
- 15.7 Legal process, including the attachment and sale of goods or immovable property.
- 15.8 Arrangements may only be concluded on the following basis for

Domestic account holders, for first time defaulters:

Total gross household income per month	Initial down-payment	Minimum payment per month
R0 to R2500	Minimum of R100	Current account if in excess of subsidy, and a minimum of R100
R2501 to R4000	Minimum of R1000	Current account plus a minimum of R500
R4001 to R6000	Minimum of R1500	Current account plus a minimum of R500
R6001 to R12000	Minimum of R2000	Current account plus a minimum of R500
R12000 and above	Minimum of R2500	Current account plus a minimum of R500

The minimum amount is subject to the outstanding balance.

Business account holders in arrears will be treated as follows:

- ❑ Business account holders (includes all types of commercial, hospitality and industrial activities and instances of multiple dwelling units) will only be given repayment terms if they pay the reassessed security deposit up front;
- ❑ A down payment of at least 50% or such other higher percentage as the Chief Financial Officer (CFO) may approve, of the amount in arrears including any fees or penalties or other charges owing plus the current account;
- ❑ A maximum repayment period of 6 months with a minimum monthly repayment of R1 000 per month plus payment of the current account; if approved by the C F O or the person acting in that position in the absence of the CFO.
- ❑ All agreements entered into with this category of account holder will only be valid if approved by the CFO or the delegated official.
- ❑ The account holder agreeing to set-off being applied to any amounts owing to the account holder by the municipality currently.

Churches, crèches, sports clubs, welfare and any other welfare or NGO's will be treated as follows:

- ❑ This category of account holder will only be allowed to enter into an arrangement for the repayment of arrears after the payment of the reassessed security deposit up front;
- ❑ A minimum down payment of 20% plus the current account;
- ❑ The current account plus a minimum determined according to the outstanding balance;

When an account holder defaults on an arrangement for the first time only, the arrangement may be reinstated subject to the approval of the CFO or the delegated person and only on the following condition:

- ❑ All unpaid instalments as well as current amounts must be paid in full and only in cash or electronic transfer.

15.9 No person will be allowed to enter into a second agreement if the first agreements was dishonoured, except in special merit cases;

15.10 When disconnection of electricity and/or water supply takes place due to non-payment, the consumer's deposit will be adjusted to the current minimum;

- 15.11 When services are illegally restored, criminal action will be taken if possible;
- 15.12 Where water and electricity accounts remain outstanding or unpaid for more than 2 (two) months, the account will be handed over to debt collectors for collection and/or legal action to the attorneys. These clients will have to make further arrangements at the Attorney and/or debt collectors, for the arrear account. The current monthly account must be paid directly to the Kouga Municipality.
- 15.13 After a debtor has been handed over for collection, the case will not be withdrawn unless there was a mistake or oversight on the part of the Kouga Municipality;

16. THEFT AND FRAUD

- 16.1 The Municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities.
- 16.2 The Council may approve specific penalties and distinguish between cases of vandalism and theft.
- 16.3 Subsequent acts of tampering may lead to a refusal to supply certain services for determined periods.

17. REPORTING AND PERFORMANCE MANAGEMENT

- 17.1 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 Mayor as supervisory authority in terms of section 99 of the Systems Act, read with section 100(c). This report shall contain particulars on:
- 17.1.1 Cash collection statistics, showing high-level debt recovery information (numbers of customers; enquires; arrangements; default arrangements; growth or reduction of arrear debt). Where possible, the statistics should ideally be divided into wards, business (commerce and industry), domestic, state, institutional and other such divisions.

- 17.2 If in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will, if he agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.
- 17.3 The Executive Mayor as Supervisory Authority shall, at intervals of 3 months, report to Council as contemplated in section 99(c) of the Systems Act.

18. INCOME COLLECTION TARGET

The long-term target is a debtor turnover ratio of 45 days, that is, debtors are expected to pay for services on average in a month and a half.

19. APPLICATION OF THE BYLAW

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

OFFICE OF THE CHIEF FINANCIAL OFFICER
30 May 2014

Approved on: 30 May 2014
Council Resolution: 14/05/F26

NOTICE—CHANGE OF TELEPHONE NUMBERS: GOVERNMENT PRINTING WORKS

As the mandated government security printer, providing world class security products and services, Government Printing Works has adopted some of the highly innovative technologies to best serve its customers and stakeholders. In line with this task, Government Printing Works has implemented a new telephony system to ensure most effective communication and accessibility. As a result of this development, our telephone numbers will change with effect from 3 February 2014, starting with the Pretoria offices.

The new numbers are as follows:

- Switchboard: 012 748 6001/6002
- Advertising: 012 748 6205/6206/6207/6208/6209/6210/6211/6212
- Publications Enquiries: 012/748 6053/6058 GeneralEnquiries@gpw.gov.za
012 748 6061/6065 BookShop@gpw.gov.za
 - Debtors: 012 748 6060/6056/6064 PublicationsDebtors@gpw.gov.za
 - Subscription: 012 748 6066/6060/6058
- SCM: 012 748 6380/6373/6218
- Debtors 012 748 6236/6242
- Creditors: 012 748 6246/6274

Please consult our website at www.gpwonline.co.za for more contact details.

The numbers for our provincial offices in Polokwane, East London and Mmabatho will not change at this stage.