

**THE PROVINCE OF
GAUTENG**



**DIE PROVINSIE
GAUTENG**

Provincial Gazette Extraordinary Buitengewone Provinsiale Koerant

Vol. 21

PRETORIA, 12 JUNE
JUNIE 2015

No. 228

We all have the power to prevent AIDS

AIDS
affects
us all



A
new
struggle

Prevention is the cure

**AIDS
HELPLINE**

0800 012 322

DEPARTMENT OF HEALTH

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes



IMPORTANT

Information

from Government Printing Works

Dear Valued Customers,

Government Printing Works has implemented rules for completing and submitting the electronic Adobe Forms when you, the customer, submits your notice request.

Please take note of these guidelines when completing your form.

GPW Business Rules

1. No hand written notices will be accepted for processing, this includes Adobe forms which have been completed by hand.
2. Notices can only be submitted in Adobe electronic form format to the email submission address submit.egazette@gpw.gov.za. This means that any notice submissions not on an Adobe electronic form that are submitted to this mailbox will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
3. Notices brought into GPW by "walk-in" customers on electronic media can only be submitted in Adobe electronic form format. This means that any notice submissions not on an Adobe electronic form that are submitted by the customer on electronic media will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
4. All customers who walk in to GPW that wish to submit a notice that is not on an electronic Adobe form will be routed to the Contact Centre where the customer will be taken through the completion of the form by a GPW representative. Where a customer walks into GPW with a stack of hard copy notices delivered by a messenger on behalf of a newspaper the messenger must be referred back to the sender as the submission does not adhere to the submission rules.
5. All notice submissions that do not comply with point 2 will be charged full price for the notice submission.
6. The current cut-off of all Gazette's remains unchanged for all channels. (Refer to the GPW website for submission deadlines – www.gpwnonline.co.za)
7. Incorrectly completed forms and notices submitted in the wrong format will be rejected to the customer to be corrected and resubmitted. Assistance will be available through the Contact Centre should help be required when completing the forms. (012-748 6200 or email info.egazette@gpw.gov.za)
8. All re-submissions by customers will be subject to the above cut-off times.
9. All submissions and re-submissions that miss the cut-off will be rejected to the customer to be submitted with a new publication date.
10. Information on forms will be taken as the primary source of the notice to be published. Any instructions that are on the email body or covering letter that contradicts the notice form content will be ignored.

You are therefore advised that effective from **Monday, 18 May 2015** should you not comply with our new rules of engagement, all notice requests will be rejected by our new system.

Furthermore, the fax number **012- 748 6030** will also be **discontinued** from this date and customers will only be able to submit notice requests through the email address submit.egazette@gpw.gov.za.





DO use the new Adobe Forms for your notice request. These new forms can be found on our website: www.gpwonline.co.za under the Gazette Services page.

DO attach documents separately in your email to GPW. (In other words, your email should have an Adobe Form plus proof of payment – 2 separate attachments – where notice content is applicable, it should also be a 3rd separate attachment)

DO specify your requested publication date.

DO send us the electronic Adobe form. (There is no need to print and scan it).

DON'T submit request as a single PDF containing all other documents, i.e. form, proof of payment & notice content, it will be **FAILED** by our new system.

DON'T print and scan the electronic Adobe form.

DON'T send queries or RFQ's to the submit.egazette mailbox.

DON'T send bad quality documents to GPW. (Check that documents are clear and can be read)



Form Completion Rules

No.	Rule Description	Explanation/example
1.	All forms must be completed in the chosen language.	GPW does not take responsibility for translation of notice content.
2.	All forms must be completed in sentence case, i.e. No fields should be completed in all uppercase.	e.g. "The company is called XYZ Production Works"
3.	No single line text fields should end with any punctuation, unless the last word is an abbreviation.	e.g. "Pty Ltd.", e.g. Do not end an address field, company name, etc. with a period (.) comma (,) etc.
4.	Multi line fields should not have additional hard returns at the end of lines or the field itself.	This causes unwanted line breaks in the final output, e.g. <ul style="list-style-type: none"> Do not type as: 43 Bloubokrand Street Putsonderwater 1923 Text should be entered as: 43 Bloubokrand Street, Putsonderwater, 1923
5.	Grid fields (Used for dates, ID Numbers, Telephone No., etc.)	<ul style="list-style-type: none"> Date fields are verified against format CCYY-MM-DD Time fields are verified against format HH:MM Telephone/Fax Numbers are not verified and allow for any of the following formats limited to 13 characters: including brackets, hyphens, and spaces <ul style="list-style-type: none"> o 0123679089 o (012) 3679089 o (012)367-9089
6.	Copy/Paste from other documents/text editors into the text blocks on forms.	<ul style="list-style-type: none"> Avoid using this option as it carries the original formatting, i.e. font type, size, line spacing, etc. Do not include company letterheads, logos, headers, footers, etc. in text block fields.



No.	Rule Description	Explanation/example
7.	Rich text fields (fields that allow for text formatting)	<ul style="list-style-type: none"> • Font type should remain as Arial • Font size should remain unchanged at 9pt • Line spacing should remain at the default of 1.0 • The following formatting is allowed: <ul style="list-style-type: none"> ○ Bold ○ Italic ○ Underline ○ Superscript ○ Subscript • Do not use tabs and bullets, or repeated spaces in lieu of tabs and indents • Text justification is allowed: <ul style="list-style-type: none"> ○ Left ○ Right ○ Center ○ Full • Do not use additional hard or soft returns at the end of line/paragraphs. The paragraph breaks are automatically applied by the output software <ul style="list-style-type: none"> ○ Allow the text to wrap automatically to the next line only use single hard return to indicate the next paragraph ○ Numbered lists are allowed, but no special formatting is applied. It maintains the standard paragraph styling of the gazette, i.e. first line is indented.
	e.g. 1. The quick brown fox jumps over the lazy river. The quick brown fox jumps over the lazy river. The quick brown fox jumps over the lazy river. 2. The quick brown fox jumps over the lazy river. The quick brown fox jumps over the lazy river. The quick brown fox jumps over the lazy river.	



You can find the **new electronic Adobe Forms** on the website www.gpwonline.co.za under the Gazette Services page.

For any **queries or quotations**, please contact the **eGazette Contact Centre** on 012-748 6200 or email info.egazette@gpw.gov.za

Disclaimer

Government Printing Works does not accept responsibility for notice requests submitted through the discontinued channels as well as for the quality and accuracy of information, or incorrectly captured information and will not amend information supplied.

GPW will not be held responsible for notices not published due to non-compliance and/or late submission.

DISCLAIMER:

Government Printing Works reserves the right to apply the 25% discount to all Legal and Liquor notices that comply with the business rules for notice submissions for publication in gazettes.

National, Provincial, Road Carrier Permits and Tender notices will pay the price as published in the Government Gazettes.

For any information, please contact the eGazette Contact Centre on 012-748 6200 or email info.egazette@gpw.gov.za

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LOCAL AUTHORITY NOTICES

LOCAL AUTHORITY NOTICE 1004



Vaal River City, the Cradle of Human Rights

CREDIT CONTROL AND DEBT COLLECTION BY-LAWS

2015/2016 FINANCIAL YEAR

**EMFULENI LOCAL MUNICIPALITY
CREDIT CONTROL AND DEBT COLLECTION BYLAWS 2015/2016**

CHAPTER 1 : DEFINITIONS

For the purposes of these by-laws any wording or expressions to which a meaning has been ascribed in the Act shall bear the same meaning in these by-laws unless the context indicates otherwise –

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

"Act" means Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended.

"applicable charges" means the rate (including assessment rates), charge, tariff or subsidy determined by the Municipal Council.

"average consumption" means the average consumption by a customer of a municipal service during a specific period, which consumption is calculated by dividing the total measured consumption of that municipal service by that customer over the preceding three months by three.

"actual consumption" means the measured consumption of any customer for any given period.

"agreement" means the contractual relationship between the municipality and a customer whether in writing *or not*.

"area of supply" means any area within or partly within the area of jurisdiction of the municipality to which a municipal service or municipal services are provided.

"arrears" means those rates, consumed services, service charges and municipal rent that have not been paid by the due date and for which no arrangement has been made.

"Authorized Agent or Representative" means –

- a) Any person authorised by the municipal council to perform any act, function or duty in terms of, or exercise any power under these bylaws
- b) Any person to whom the municipal council has delegated the performance of certain rights, duties and obligations in respect of providing revenue services, or
- c) Any person appointed by the municipal council in terms of a written contract as a service provider to provide revenue services or

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municipal services to customers on its behalf, to the extent authorised in such contract.

"arrangement" means a written agreement entered into between the municipality and the customer where specific repayment parameters are agreed to. Such arrangement does not constitute a credit facility envisaged in terms of Section 8(3) of the National Credit Act but is deemed to be Incidental Credit as envisaged in terms of Section 4(6)(b) read with Section 5(2) and (3) of the National Credit Act.

"customer" means –

- a) the occupier of any premises to which the municipality has agreed to supply or is actually supplying municipal services, or if no occupier can be identified or located, then the owner of the premises and includes any customer of the municipality.
- b) any person, whether natural or juristic and includes, but is not limited to any local government body or like authority, a company or close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public entity body, voluntary association or trust.

"domestic customer" means a customer that occupies a dwelling, a structure or property primarily for residential purposes.

"commercial customer" means any customer other than domestic customers and indigent customers, including without limitation, business, industrial, government and institutional customers.

"connection" means the point at which a customer gains access to municipal services.

"consolidated account" means an account which is a consolidation of any separate accounts or service charges of a customer who is liable for payment to the municipality.

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

"defaulter" means a customer who owes any arrears to the municipality.

"due date" in relation to -

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

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- (i) *the seventh (7th) day of October of the financial year for which such rate is made, in the case where rates are levied on an annual basis.*
- (ii) *the date for payment indicated on the account, in the case where rates are levied on a monthly basis, or*
- (iii) *any other date determined by Council in terms of a public notice in the Provincial Gazette, and*
- b) *service charges due in respect of any immovable property, means the date for payment indicated on the account, provided that the due date for any service charges means the seventh (7th) day of October in the case where service charges are levied annually, and*
- c) *should such day fall on a Saturday, Sunday or public holiday the due date shall be the next working day.*

“emergency situation”

means any situation that if allowed to continue poses a substantial assessed risk to the financial viability or sustainability of the municipality or a specific municipal service.

“equipment”

means a building or other structure, pipe, pump, wire, cable, meter, engine or any accessories.

“estimated consumption”

means the deemed consumption by a consumer whose consumption is not measured during a specific period, which estimated consumption is rationally determined taking into account at least the consumption of municipal services for a specific level of service during a specific period in the area of supply of the municipality.

“household”

means a traditional family unit, as determined by the municipality from time to time taking into account the number of persons comprising a household, the relationship between the members of a household, the age of the persons who are members of the household and any other relevant factors.

“illegal connection” means a connection to any system through which municipal services are provided that is not authorized or approved by the municipality.

“indigent customer” means a domestic customer qualifying and registered with the municipality as an indigent in accordance with the municipality’s indigent policy and the applicable by-laws.

“interest” means the charge levied on arrears, calculated at the prime rate charged by the bank which holds the municipality’s primary bank account, plus a percentage as may be determined by Council from time to time.

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“municipal account” means an account rendered specifying charges for services provided by the municipality, or any authorised and contracted service provider, and/or assessment rates levies as well as municipal rent.

“municipality” means –

- a) the Emfuleni Local Municipality or its successor in title, or
- b) the Municipal Manager of the Emfuleni Local Municipality in respect of the performance of any function or exercise of any right, duty, obligation or function in terms of these by-laws, or
- c) an authorised agent of the Emfuleni Local Municipality.

“Municipal Council” means the municipal Council of the Municipality of the Emfuleni Local Municipality as referred to in Section 157(1) of the Constitution, 1996 (Act No. 108 of 1996).

“Municipal Manager” means the person appointed by the municipal council 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” means those services provided by the municipality, such as, inter alia the supply of water, electricity, refuse removal, sewerage treatment, property rates and for which services charges are levied.

“occupier” means any customer who occupies, controls or resides on any premises, or any part of any premises without regard to the title under which he or she so occupies it.

“owner” means:-

- (a) the customer in whose name the property is legally vested.
- (b) in the case where the customer in whose name the property is vested, is insolvent or deceased, or is disqualified in terms of any legal action, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, or any other legal representative.
- (c) in the case where the Council are unable to establish the identity of such person, the person who are entitled to derive benefit from the property or any buildings thereon.
- (d) in the case of a lease agreement in excess of 30 years was entered into, then the lessee.
- (e) regarding:-
 - (i) a portion of land allotted on a sectional title plan and which is registered in terms of the Sectional Title Act, 1986 (Act 95 van 1986), without limiting it to the developer
 - (ii) or managing body to the communal property.

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- (iii) a portion as defined in the Sectional Title Act, the person in whose name that portion is registered in terms of a "sectional title, including the legally appointed representative of such person.
- (f) any legal entity including but not limited to :--
- (iv) a company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a trust inter vivos, trust mortis causa, a closed corporation registered in terms of the Close Corporation Act, 1984 (Act 69 of 1984), and any voluntary organization.
- (v) any provincial or national government department, local authority.
- (vi) any Council or management body established in terms of any legal framework applicable to the Republic of South Africa, and
- (vii) any embassy or other foreign entity.
- "person"** means any person whether natural or juristic and includes, but is not limited to any local government body or like authority, a company, close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association or trust.
- "property"** means any portion of land, of which the boundaries are determined, within the jurisdiction of the municipality
- "public notice"** means publication in a appropriate media that may include one or more of the following:-
- (a) publication of a notice, in the official languages determined by the municipal Council:-
- (i) in any local newspaper or newspapers circulating in the area of supply of the municipality, or
- (ii) in the newspapers circulating in the area of the municipality determined by the municipal Council as a newspaper of record, or
- (iii) by means of radio broadcasts covering the area of supply of the municipality, or
- (b) displaying a notice at appropriate offices and pay points of the municipality or its authorized agent, or
- (c) communication with customers though public meetings and ward committee meetings.
- "rates"** means a municipal rate on property envisaged in Section 229 (1) of the Constitution read with the Local Government: Municipal Property Rates Act 6 of 2004 and the Local Government: Municipal Finance Act 56 of 2003.
- "service charges"** means the fees levied by the municipality in terms of its tariff policy for any municipal services rendered in respect of an immovable property and includes any penalties, interest or surcharges levied or imposed in terms of this policy.

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- “service delivery agreement”** means an agreement between the municipality and an institution or persons mentioned in Section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.
- “shared consumption”** means the consumption of a customer of a municipal service during a specific period, which consumption is calculated by dividing the total metered consumption of that municipal service within the supply zone within which consumer’s premises is situated for the same period by the number of customers within that supply zone, during the same period.
- “subsidized service”** means a municipal service which is provided to a customer at an applicable rate which is less than the cost of actual providing the service provided to customers at no cost.
- “sundry customer accounts”** means accounts raised for miscellaneous charges for services provided by the municipality or charges that were raised against a customer as a result of an action by a customer, and were raised in terms of Council's policies, bylaws and decisions.
- “supervisory authority”** means the Executive Mayor of the municipality or his or her nominee, acting in terms of Section 99 of the Municipal Systems Act 32 of 2000.
- “supply zone”** means a area, determined by the municipality, within which all customers are provided with services from the same bulk supply connection.
- “tariff”** means the scale of rates, taxes, duties, levies or other fees which may be imposed by the municipality in respect of immovable property or for municipal services provided.
- “unauthorized services”** means receipt, use or consumption of any municipal service which is not in terms of an agreement, or authorized or approved by the municipality.

CHAPTER 2 : PROVISION OF MUNICIPAL SERVICES TO CUSTOMERS OTHER THAN INDIGENT CUSTOMERS**Part 1: Application for Municipal Services****Application for Services and Agreements**

2.1 A customer wanting to qualify as an indigent customer must apply for services as set out in Chapter 4 below.

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2.2 A customer who requires the provision of municipal services must apply for the service from the municipality. The application for the provision of municipal services must be made in writing on the prescribed application form.

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

2.4 If, at the commencement of these by-laws or at any other time, municipal services are provided and received and no written agreement exists in respect of such services, it shall be deemed that -

- a) An agreement in terms of sub-section 2.8 exists, and
 - b) The level of services provided to that customer are the level of service elected,
- until such time as the customer enters into an agreement in terms of sub-section 2.2.

2.5 The municipality must on application for the provision of municipal services inform the applicant of the then available levels of services and the then applicable tariffs and or charges associated with each level of service.

2.6 The municipality is only obliged to provide a specific level of service requested by the applicant if the service is currently being provided and if the municipality has the resources and capacity to provide such a level of service.

2.7 The customer may at any time apply to alter the level of service elected in terms of the agreement entered into, in which event the municipality may approve such application if it has the capacity and resources to provide such requested level of service and that any costs and expenditure associated with altering the level of service is paid for by the customer.

2.8 An application for services submitted by a customer and approved by the municipality shall constitute an agreement between the municipality and the customer, and such agreement shall take effect on the date referred to or stipulated in such agreement. Existing customers may be required to complete application forms from time to time, as determined by the Municipal Manager.

2.9 In completing an application form for municipal services the municipality will take reasonable measures to ensure that the document and the process interaction with the owner, customer or any other person making such an application are understood by the owner, customer or any other person and advise him or her of the option to register as an indigent customer. It is the customer's responsibility to ensure that the postal address and other contact details are correct and in the case of any changes the municipality must be notified in writing.

2.10 In cases of illiterate or similarly disadvantaged persons, the municipality must take reasonable steps to ensure that the person is aware of and understands the content of the application form and shall assist him or her in completing such form.

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- 2.11 Municipal services rendered to a customer are subject to the provisions of these by-laws, any other applicable by-laws and the conditions contained in the agreement.
- 2.12 The municipality may undertake an investigation into the creditworthiness of commercial customers, and may impose specific additional conditions on such customers, subject to the provisions of these by-laws.
- 2.13 Service applications will be used to, inter alia, and categorize customers according to credit risk and to determine relevant levels of services and deposits required.
- 2.14 If the municipality –
- a) refuses an application for the provision of municipal services or a specific service or level of service,
 - b) is unable to render such municipal service or a specific service or level of service on the date requested for such provision to commence, or
 - c) is unable to render the municipal services or a specific service or service level,
- the municipality must within 7 (seven) days, inform the customer of such refusal or inability, the reasons therefore and, if applicable, when the municipality will be able to provide such municipal services or a specific service or level of service.
- 2.15 Any new application for the provision of municipal services must be made by the registered owner of an immovable property.
- 2.16 The municipality will only entertain an application for the provision of municipal services from existing tenants of a property, or any existing customer who is not the owner of the property with the permission of the owner of the property. Such permission from the owner must be in writing and the services to the tenant or occupier will be terminated should the permission be revoked by the owner. Existing tenants of a property will be requested over a period of time to obtain the permission of the owner in order to maintain their existing service agreement.
- 2.17 If there is an outstanding debt on the property, this debt must be settled in full before a new application on the same property will be allowed.
- 2.18 If an existing tenant is guilty of non-payment, the owner will be liable for the outstanding debt, except where the property concerned is owned by the municipality. In terms of Section 102(3) of the Municipal Systems Act the municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to such a property if the owner requests such accounts in writing from the municipality.
- 2.19 An agent with a proxy may open an account in the name of the owner.
- 2.20 The agreement with the municipality makes provision for the following:-
- a) An undertaking by the occupier that he or she will be liable for collection costs including administration fees, interest, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date on an attorney/ client basis.

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- b) An acknowledgement by the occupier that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account.
- c) That the onus will be on the occupier to ensure that he or she received an account before the due date.
- d) The municipality undertakes to do everything in its power to deliver accounts timeously.

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

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

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

Special agreements for Municipal Services

3. The municipality may enter into a special agreement for the provision of municipal services with an applicant –
- a) within the area of supply, if the service applied for necessitates the imposition of conditions not contained in the prescribed form or these by-laws,
 - b) receives subsidised services, or
 - c) if the premises to receive such services are situated outside the area of supply, provided that the municipality having jurisdiction over the premises has no objection to such special agreement. The obligation is on the customer to advise the municipality having jurisdiction of such special agreement.

Change in the purpose for which municipal service are used

4. Where the purpose for the extent to which any municipal service used is changed the onus and obligation is on the customer to advise the municipality of such change and to enter into a new agreement with the municipality.

Termination of Agreements for Municipal Services

5.1 A customer may terminate an agreement for municipal services by giving at least 21 (twenty one) days written notice to the municipality.

5.2 The municipality may terminate an agreement for municipal services by giving at least 21 (twenty one) days written notice to the customer where –

- a) municipal services were not utilised for a consecutive 2 (two) months period and no arrangement to the satisfaction of the municipality for the continuation of the agreement was made,

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- b) the premises occupied or owned by a customer have been vacated and no arrangement for the continuation of the agreement was made.

5.3 A customer shall remain liable for all arrears and applicable charges payable in respect of municipal services provided notwithstanding the termination of the agreement for municipal services in terms of sub-sections 5.1. and 5.2.

Property developments

6.1 A property developer must on the provision of infrastructure through which municipal services will be provided inform the municipality, in writing, of the details of the municipal services to be provided through the infrastructure and the details of all measuring devices that are installed.

6.2 A property developer who fails to comply with the provisions of the sub-section 6.1 shall be liable for the payment of all applicable charges that would have been payable by customers in respect of municipal services used or consumed.

Part 2: Applicable Charges**Applicable charges for municipal services**

7.1 All applicable charges payable in respect of municipal services, including but not limited to the payment to the payment of connection charges, fixed charges additional charges or interest must be set by the municipal council in accordance with –

- a) its Rates and Tariff policy,
- b) any by-laws in respect thereof, and
- c) any regulations in terms of national or provincial legislation.

7.2 Applicable charges may differ between different categories of customers, users of services and levels of services, quantities of services, infrastructure requirements and geographic areas.

Availability charges for Municipal Services

8. The municipal council may, in addition to the tariffs or charges prescribed for municipal services actually provided, levy a monthly fixed charge, annual fixed charge or a single and final fixed charge where municipal services are available, whether or not services are consumed or not.

Subsidised Services

9.1 The municipal council may, from time to time subject to principles of sustainability and affordability, by public notice, implement subsidies for basic levels of municipal services, as determined by the municipal council.

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9.2 The municipal council may in implementing subsidies differentiate between different types of domestic customers, types and levels of services, quantities of services, geographic areas and socio-economic areas.

9.3 Public notice in terms of sub-section 9.1 must contain at least the following details applicable to a specific subsidy –

- a) The domestic customers that will benefit from the subsidy.
- b) The type, level and quantity of municipal service that will be subsidised.
- c) The area within which the subsidy will apply.
- d) The rate (indicating the level of subsidy).
- e) The method of implementing the subsidy.
- f) Any special terms and conditions that will apply to the subsidy.

9.4 If a domestic customer's consumption or use of a municipal service is –

- a) Less than the subsidised service, the unused portion may not be accrued by the customer and will not entitle the customer to a payment or a rebate in respect of the unused portion.
- b) In excess of the subsidised service, the customer will be obliged to pay for such excess consumption at the applicable rate.

9.5 A subsidy implemented in terms of sub-section 9.1 may at any time, after reasonable notice, be withdrawn or altered at the sole discretion of the municipal council.

Commercial customers shall not qualify for subsidised services.

Subsidised services shall be funded from the portion of revenue raised nationally that is allocated to the municipality and if such funding is insufficient the services may be funded from revenue raised through rates, fees and charges in respect of municipal services.

Subsidized services may include electricity, water, sewerage, refuse removal and assessment rates and any consumption service charges.

Indigent subsidies

10.1 The purpose of the indigent subsidy is to provide funding for a basic level of services to qualifying households with a total gross income level which is below a determined amount, and according to further specified criteria as determined by the municipal council from time to time.

10.2 The source of funding of the indigent subsidy is that portion of the equitable share contribution to the municipality made from the national government's fiscus and as provided for in the budget. As such, the subsidy can only be credited to the qualifying customers' accounts until the amount received by the Municipality from National Government for this purpose has been exhausted, whereupon no further credits will be made, or the level of the credits reduced, until further national funds are received.

10.3 All consumers who qualify for an indigent subsidy may be placed on restricted service levels in order to limit further escalation of debt.

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10.4 Where applicable, these consumers may be exonerated from a portion of or their total arrear debt.

10.5 Where a qualifying indigent applicant customer's account is paid in full at the date of application, or regularly maintains a paid up account after receiving the subsidy, the restriction on service levels may be waived on request by such a customer.

10.6 An indigent customer must immediately request de-registration by the municipality or its authorised agent if his/her circumstances have changed to the extent that he/she no longer meet the criteria.

10.7 An indigent customer may at any time request de-registration.

10.8 A register of indigent customers will be maintained and may be made available to the general public.

Authority to recover additional costs and fees

11.1 The municipality has the authority, notwithstanding the provisions of any other sections contained in these by-laws, to recover any additional costs incurred in respect of implementing these by-laws against the account of the consumer, including but not limited to –

- a) All legal costs, including attorney and own client costs incurred in the recovery of amounts in arrears shall be against the arrears account of the customer, and
- b) The average costs incurred relating to any action taken in demanding payment from the customer or reminding the customer, by means of telephone, fax, email, letter or otherwise.

Part 3: Payment**Payment of deposits and the Screening of Customer**

12.1 The municipal council may, from time to time, determine different deposits for different categories of customers, users of services, debtors, services and service standards, provided that the deposits may not be more than three times the monetary value of the most recent monthly municipal service rendered, including rates and taxes, to the premises for which an application is made. A minimum deposit of the equivalent of one month's average consumption will be required.

12.2 A customer must on application for the provision of municipal services and before the municipality will provide such services, pay a deposit, if the municipal council has determined a deposit. Deposits either in cash or any other security acceptable to the municipality may be required, and may vary according to the risk as determined by the Municipality.

12.3 The municipality may annually review a deposit paid in terms of sub-section 12.2 and in accordance with such review -

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- a) require that an additional amount be deposited by the customer where the deposit is less than the most recent deposit determined by the municipal council, or
- b) may refund to the customer such amount as may be held by the municipality where the deposit is in excess of the most recent deposit determined by the municipal council.

The municipality reserves the right to increase deposits at any time and at the sole discretion of the municipality to a maximum of three months average consumption.

- 12.4 If a customer is in arrears, the municipality may require that the customer –
- a) pay a deposit if that customer was not previously required to pay a deposit, if the municipal council has determined a deposit; and
 - b) pay an additional deposit where the deposit paid by that customer is less than the most recent deposit determined by the municipal council.

12.5 Subject to sub-section 12.6, the deposit shall not be regarded as being in payment or part payment of an account.

12.6 If an account is in arrears, the deposit will be applied in payment or part payment of the arrears.

12.7 No interest shall be payable by the municipality on any deposit held.

12.8 The deposit, if any, is refundable to the customer on settlement of all arrears on termination of the agreement. A deposit shall be forfeited to the municipality if it has not been claimed by the customer within 12 (twelve) months of termination of the agreement.

12.9 All applicants for municipal services may be checked for credit-worthiness including checking information from banks, credit bureaus, other municipalities or municipal entities, trade creditors and employers.

12.10 Deposits can vary according to the credit-worthiness or legal category of the applicant.

Methods for determining amounts due and payable

13.1 Subject to sub-section 13.2, the municipality must in respect of municipal services that can be metered, endeavour, within available financial and human resources, to meter all customer connections and read all metered customer connections on a regular basis.

13.2 If a service is not measured, a municipality may, notwithstanding sub-section 13.1, determine the amount due and payable by a customer, for municipal services supplied to him, her or it, by –

- a) calculating the shared consumption; or if that is not possible,
- b) estimating the estimated consumption.

13.3 If a service is metered, but it cannot be read because of financial and human resource constraints or circumstances beyond the control of the municipality, and the customer is charged

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for average consumption, the average consumption will be based on at least three consecutive months' consumption. The account following the reading of the metered consumption must state the difference between the actual consumption and the average consumption, and the resulting credit or debt adjustment. Estimates should be limited and charging of actual consumption be encouraged.

13.4 Where water supply services are provided through communal water services networks (standpipes), the amount due and payable by customers gaining access to water supply services through the communal water services networks, must be based on the shared or estimated consumption of water supplied to the water services network.

13.5 Where in the opinion of the municipality is not reasonably possible or cost effective to meter all customer connections or read all metered customer connections within a determined area, the municipal council may, notwithstanding sub-section 13.1, determine the amount due and payable by a customer for municipal services supplied to him, her or it, by –

- a) calculating the shared consumption; or if not possible,
- b) calculating the estimated consumption.

13.6 The municipality must inform customers of the method for determining amounts due and payable in respect of municipal services provided that will apply in respect of their consumption or supply zones.

13.7 Customers are entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof if it is found that the readings are correct or the difference is less than ten percent, up or downwards.

13.8 Customers will on request be informed in writing of a meter replacement.

Payment for Municipal Services provided

14.1 A customer shall be responsible for payment of all municipal services charged to him, her or it from the commencement date of the agreement until his, her or its account has been settled in full and the municipality shall be entitled to recover all applicable charges due to the municipality.

14.2 If a consumer uses municipal services for the use other than that for which it is provided by the municipality in terms of an agreement and as a consequence is charged as a charge lower than the applicable charge the municipality may make an adjustment of the amount charged and recover the balance from the customer.

14.3 If amendments to the applicable charge become operative on a date between measurements for the purpose of rendering an account in respect of the applicable charges –

- a) it shall be deemed that the same quality of municipal services was provided in each period of twenty-four hours during the interval between the measurements; and
- b) any fixed charge shall be calculated on a pro rata basis in accordance with the charge that applied immediately before each amendment and such amended applicable charge.

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Full and final settlement of an amount

15.1 Where an account is not settled in full, any lesser amount tendered to the accepted by the Municipality shall not be final settlement of such an account.

15.2 Sub-section, 15.1 shall prevail notwithstanding the fact that such lesser payment was tendered and accepted in full and final settlement, unless the municipal manager or the manager of the municipality's authorised agent expressly makes such acceptance in writing.

Responsibility for amounts due and payable

16.1 Notwithstanding the provisions of any other sections of these by-laws, the owner of premises shall be liable for the payment of any amounts due and payable to the municipality in respect of the preceding two years, where the owner is not the customer and the municipality after taking reasonable measures to recover any amounts due and payable by the customer from the latter, could not recover such amounts.

Dishonoured payments

17.1 Where any payment made to the municipality or its authorised representative by negotiable instrument is later dishonoured by a bank, the municipality or its authorised agent:-

- 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.
- c) Take appropriate credit control action including, the disconnection or restriction of the services to such applicable property.

Incentive Schemes

18. The municipal council may institute incentive schemes to encourage prompt payment and to reward customers that pay accounts on a regular basis.

Pay-points and Approved Agents

19.1 A customer must pay his or her or its account at pay-points specified by the municipality from time to time, or approved agents of the municipality.

19.2 The municipality must inform a customer of the location of specified pay-points and approved agents for payment of accounts.

Part 4: Accounts**Accounts**

20.1 Accounts will be rendered monthly to customers:

- a) at the address last recorded with the municipality, or

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- b) per MMS, SMS or other applicable cellular technology, or
- c) per e-mail, or
- d) with any other form of telecommunication to customers.

20.2 Failure by the customer to receive or accept an account does not relieve a customer of the obligation to pay any amount that may be due and payable.

20.3 The municipality must, if it is reasonably possible to do so, issue a duplicate account to a customer on request.

20.4 Accounts must be paid not later than the last date for payment specified on such an account.

20.5 Accounts for municipal services provided will –

- a) reflect at least –
 - (i) the services rendered;
 - (ii) the consumption of metered services or average, shared or estimated consumption;
 - (iii) the period addressed in the account;
 - (iv) the applicable charges;
 - (v) any subsidies;
 - (vi) the amount due(excluding value added tax payable)
 - (vii) value added tax;
 - (viii) the adjustment, if any, to metered consumption which has been previously estimated.
 - (ix) any arrears;
 - (x) the interest payable on any arrears;
 - (xi) the final date of payment;
 - (xii) the methods, places and approved agents where payment may be made;and
- b) state that -
 - (i) the customer may conclude an agreement at the municipality's offices, with the municipality for payment of the arrears amount instalments before the final date for payment;
 - (ii) if no such agreement is entered into, the municipality will limit or disconnect the services, subject to section 28(1), after sending a final demand notice in terms of section 24 and 27 to the customer;
 - (iii) legal action may be instituted against any customer for the recovery of any amount 40 (forty) days in arrears;
 - (iv) the account may be ceded to a debt collector for collection; and
 - (v) proof of registration, as an indigent customer, in terms of the municipality's indigent policy, which may form part of the municipality's credit control and debt collection policy, must be handed in at the offices of the municipality before the final date of payment.

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Consolidated debt

21.1 If one account is rendered for more than one municipal service provided, the amount due and payable by a customer constitutes consolidated debt. The municipality may consolidate separate municipal accounts, or portions thereof, of a customer into a single consolidated account.

21.2 The municipality will, at its discretion, allocate a payment between service debts and a customer may not specify the allocation of payment. Any payment made by a customer of an amount less than the total amount due, will be allocated in reduction of the consolidated debt in the following order:-

- a) Arrears;
- b) Interest;
- c) Installments – dwelling;
- d) Installments – stand;
- e) Sundries;
- f) Additional – deposit;
- g) Rates;
- h) Penalty on arrear rates and services;
- i) Collection charges on arrear rates;
- j) Refuse removal;
- k) Water;
- l) Sewerage;
- m) Electricity; and
- n) VAT on vatable services which will be the proportionate amount for the applicable services.

21.3 A customer may not elect how an account is to be settled if it is not settled in full or if there are arrears.

Part 5: Queries, Complaints and Appeals**Queries or complaints in respect of account**

22.1 A customer may lodge a query or complaint in respect of the accuracy of an amount due and payable in respect of a specific municipal service as reflected on the account rendered.

22.2 A query or complaint must be lodged with the municipality in writing before the due date for payment of the account.

22.3 In the case of illiterate or similarly disadvantaged customers the municipality must assist such a customer in lodging his or her complaint in writing and must take reasonable steps to ensure that the query or complaint is reflected correctly.

22.4 A query or complaint must be accompanied by a payment constituting the amount due and payable in respect of the amount, minus the amount in respect of which the a query or complaint is lodged. An amount equal to the average consumption of the municipal service is payable in respect of the amount for which a query or complaint is lodged.

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22.5 The municipality will register the query or complaint and provide the customer with a reference number.

22.6 The municipality-

- a) shall investigate or cause the query or complaint to be investigated within 14 (fourteen) days after the query or complaint was registered; and
- b) must inform the customer, in writing, of its finding within 21 days (Twenty one) after the query or complaint was registered.

Appeals against finding of municipality in respect of queries or complaints

23.1 A customer may appeal against a finding of the municipality in terms of section 22 in writing.

23.2 An appeal and request in terms of sub-section 23.1 must be made in writing and lodged with the municipality within 21 (twenty-one) days after the customer became aware of the finding referred to in section 22 and must-

- a) set out the reasons for the appeal; and
- b) be accompanied by a deposit and determined by the municipal council, if the municipality requires a deposit to be made.

23.3 The municipality may on appeal by a customer instruct him, her or it to pay the full amount appealed against.

23.4 The customer is liable for all the amounts, other than that appealed against, falling due and payable during the adjudication of the appeal.

23.5 An appeal must be decided by the municipality within 21 (twenty-one) days after an appeal was lodged and the customer must be informed of the outcome in writing, as soon as is reasonably possible thereafter.

23.6 If the municipality decides to reject the query or complaint the customer must pay any amounts found to be due and payable in terms of the decision within 14 (fourteen) days of being informed of the outcome of the appeal.

23.7 The municipality may condone the late lodging of appeals or other procedural irregularities.

23.8 If it is alleged in an appeal that a measuring device is inaccurate, the device must be subjected to a standard industry test as determined by the municipality, to establish its accuracy. The customer must be informed of the estimated cost of such a test prior to such test being undertaken.

23.9 If the outcome of any test shows that a measuring device is-

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- a) within a prescribed range of accuracy, the customer will be liable for the cost of such a test and any other amount outstanding. Such costs will be debited against the customer's account;
 - b) outside a prescribed range of accuracy, the municipality will be liable for the costs of such tests and the customer must be informed of the amount of any credit to which he, she or it is entitled as a consequence of any inaccuracy.
- 23.10 A deposit referred to in sub-section (2)(b), shall be-
- a) retained by the municipality if the measuring device is found not to be defective;
 - b) refunded to the applicant to the extent that it exceeds the amount payable in respect of quantity determined in accordance with section 12(b), if the measuring device is found in terms of those sub-sections to be defective.
- 23.11 In addition to sub-section 23.9 and 23.10 the municipality must if the measuring device is found defective-
- a) repair the measuring device or install another device which is in good working order, without charge to the customer, unless the costs thereof are recoverable from the customer in terms of these or any other by-law of the municipality; and
 - b) determine the quantity of municipal services for which the customer will be charged in lieu of the quantity measured by the defective measuring device by taking as basis for such determination, and as the municipality may decide-
 - (i) the quantity representing the average monthly consumption of the customer during the three months preceding the month in respect of which the measurement is disputed and adjusting such quantity in accordance with the degree of error found in the reading of the defective meter or measuring device;
 - (ii) the average consumption of the customer during the succeeding three meter periods after the defective meter or measuring device has been repaired or replaced; or
 - (iii) the consumption of services on the premises recorded for the corresponding period in the previous year.

Part 6: Arrears**Consolidated Arrears**

24.1 If one account is rendered for more than one municipal service provided all arrears due and payable by a customer constitutes a consolidated debt, and any payment made by a customer of an amount less than the total amount due, will be allocated in reduction of the consolidated debit in the following order-

- a) Arrears;
- b) Interest;
- c) Installments – dwelling;
- d) Installments – stand;
- e) Sundries;
- f) Additional – deposit;
- g) Rates;
- h) Penalty on arrear rates and services;
- i) Collection charges on arrear rates;

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- j) Refuse removal;
- k) Water;
- l) Sewerage;
- m) Electricity; and
- n) VAT on vatable services which will be the proportionate amount for the applicable services.

Arrears

- 25.1 If a consumer fails to pay the account on or before the due date, a final demand notice may be:
- a) hand delivered or sent by registered post to the most recent recorded address of the customer; or
 - b) sent per MMS, SMS or other applicable cellular technology, or
 - c) sent per e-mail, or
 - d) with any other form of telecommunication to customers within 2 (two) working days of the arrears having accrued.
- 25.2 Failure to deliver or send a final demand notice within 2 (two) working days does not relieve a customer from paying arrear.
- 25.3 Applications for write off of arrears related to interest, warning and penalty fees in full and final settlement of arrears are dealt with in terms of section 8.9.2 of the Credit Control, Debt Collection and Customer Care Policy and Item "G" in the Principals and Policy on Recoverable Debt and Writing Off of Irrecoverable Debt.

Interest

- 26.1 Interest may be levied on arrears at the prevailing prime interest rate or at the rate prescribed by the municipal council from time to time.
- 26.2 The municipal council may differentiate between types of domestic customers, types and levels of services, quantities of services, geographical arrears and socio-economic arrear in levying interest on arrears.

Final Demand Notice

- 27.1 The final demand notice must contain the following statements-
- a) the amount in arrears and any interest payable;
 - b) that the customer can conclude an agreement with the municipality for payment of the arrears in installment within 3 (three) working days of the date of the final demand notice;
 - c) that if not such agreement is entered into within the stated period that specified municipal services will be limited or disconnected
 - d) that legal action maybe instituted against any customer for the recovery of any amount 40(forty) days in arrears;
 - e) that the account may be handed over to the debt collector for collection;

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f) that proof of registration, as an indigent customer, in terms of these by-laws must be handed in at the offices of the municipality before the final date of the final demand notice.

27.2 The municipality must in deciding which municipal service or municipal services to be specified for limitation or disconnection:

- a) consider the potential socio-economic and health implication of the limitation or disconnection may have on the consumer; and
- b) a domestic customers' right to access to basic municipal services as identified in the municipal council's credit control and debt collection policy

Limitation or disconnection of municipal services

28.1 The municipality may, immediately on the expiry of the 3 (three) working day period allowed payment in terms of the final demand notice limit or disconnect the municipal services provided that a domestic customers' access to basic water supply services and sanitation services may not be disconnected.

28.2 The municipality may only limit a domestic customer's access to basic water supply services by –

- a) reducing water pressure; or
- b) limiting the availability of water to a specified period or periods during a day.

28.3 The costs associated with the limitation or disconnection of municipal services shall be for the cost of the customer and shall be included in the arrears amount due and payable by the customer.

Accounts 60 (Sixty) days in arrears

29.1 Where an account rendered to a customer remains outstanding for more than 60 (Sixty) days the municipality may-

- a) institute legal action against a customer for the recovery of the arrears; and
- b) cede the customer's account to a debt collector for collection.

29.2 A customer will be liable for recoverable administration fees, costs incurred in taking action for the recovery of arrears and any penalties, including the payment of a higher deposit, as may be determined by the municipal council from time to time.

General

30.1 No action taken in terms of this section because of non-payment will be suspended or withdrawn, unless the arrears, any interest thereon, recoverable administration fees, additional charges, costs incurred in taking relevant action and any penalties, including the payment of higher deposit, payable are paid in full.

30.2 The municipality will not be liable for any loss or damage suffered by a customer due to municipal services being limited or disconnected.

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Part 7: Agreement for the Payment of Arrears in instalments**Agreements**

31.1 The following agreements for the payment of arrears in instalments may be entered into-

- a) an Acknowledgement of Debt;
- b) a Consent to Judgement; or
- c) an Emolument attachment order.

31.2 Only a consumer with positive proof of identity or a person authorised, in writing, by that consumer, or, if a consumer is illiterate, a person authorised by such consumer personally in the presence of an officer appointed by the municipality for that purpose, will be allowed to enter into an agreement for the payment of arrears in instalments.

31.3 No customer will be allowed to enter into an agreement for the payment of arrears in instalments where that customer failed to honour a previous agreement for the payment of arrears in instalments, unless the Municipality, in its sole discretion, permits the customer to do so.

31.4 A copy of the agreement shall be made available to the customer.

31.5 An agreement for the payment of arrears in instalments shall not be entered into unless and until a customer has paid his, her or its current account.

Additional costs, partial settlement and instalments

32.1 The costs associated with entering into agreements for the payment of arrears in instalments and the limitation or disconnection of municipal services in accordance with section 28 shall be included in the arrears amount due and payable by the customer.

32.2 The municipality must in determining the amount payable by the customer on entering into an agreement for the payment of arrears in instalments and the instalments payable in respect of any arrear amount take the following factors into account –

- a) the credit record of the customer;
- b) the arrear amount;
- c) the level of consumption of municipal services;
- d) the level of service provided to the customer;
- e) previous breaches of agreements for the payment of arrears in instalments; and
- f) any other relevant factors.

32.3 In the event that a customer proves to the municipality that he or she or it is unable to pay the amount referred to in section 31(5) on entering into an agreement for the payment of arrears in instalments, the municipality may, after taking into account the factors referred to in sub-section 32.2, -

- a) extend the payment thereof to the end of the month in which the customer enters into such an agreement; or

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b) include it in the amount payable in terms of the agreement.

32.4 The municipality may, after taking into account the factors referred to in sub-section 32.2, require a customer to pay an additional amount on entering into an agreement for the payment of arrears, in addition to the current account, representing a percentage of the arrear amount.

32.5 The municipality may, when a customer enters into an agreement or any time thereafter–

- a) install a pre-payment meter; or
- b) limit the municipal services to basic municipal services.

Duration of Agreements

33.1 The municipality may, in deciding on the duration of the agreement for the payment of arrears has regard to a customer's –

- a) credit record;
- b) arrears amount;
- c) gross income;
- d) level of consumption of municipal services;
- e) level of service provided;
- f) previous breaches of agreements for the payment of arrears in instalments;
- g) affordability and
- h) any other relevant factors.

33.2 No agreement/arrangement entered into after 1 July 2012 for the payment of arrears shall provide for the payment of arrears over a period in excess of 24 (twenty-four) months.

Failure to Honour Agreements

34.1 If a customer fails to comply with an agreement for the payment of arrears in instalments, 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, without further notice or correspondence and the municipality may –

- a) limit or disconnect the municipal services specified in the final demand notice sent to the customer in accordance with section 27;
- b) institute legal action for the recovery of the arrears; and
- c) hand the customer's account over to a debt collector or an attorney for collection.

Re-connection of Services

35.1 An agreement for payment of the arrears amount in instalments, entered into after municipal services were limited or disconnected, will not result in the services being restored until:

- a) the arrears, any interest thereon, recoverable administration fees, costs incurred in taking relevant action and any penalties, including payment of a higher deposit, are paid in full; or

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- b) a written appeal by the customer undertaking a timeous and full payment of arrear instalments and current accounts have been approved by the Municipality.

35.2 In addition to any payments referred to in sub-section 35.1 the customer shall pay the standard re-connection fee as determined by the municipality from time to time, prior to the re-connection of municipal services by the municipality.

35.3 Municipal services shall be restored within (7) seven working days after a customer have complied with the provisions of sub-sections 35.1 and 35.2.

CHAPTER 3: ASSESSMENT RATES**Amount due for assessment rates**

36.1 The provisions of Chapter 2 apply in respect of the recovery of assessment rates and assessment rates forms part of a consolidated account and consolidated debt.

36.2 All assessment rates due by owners are payable by a fixed date as determined by the municipality.

36.3 Joint owners of property shall be jointly and severally liable for payment of assessment rates.

36.4 Assessment rates may be levied as an annual single amount, or in equal monthly instalments. When levied in equal monthly instalments the amount payable may be included in the municipal account.

36.5 A property owner remains liable for the payment of assessment rates included in municipal accounts, notwithstanding the fact that –

- a) the property is not occupied by the owner thereof; and/or
- b) the municipal account is registered in the name of a person other than the owner of the property.

36.6 Payment of assessment rates may not be deferred beyond the fixed date by reason of an objection to the valuation roll.

Claim on rental for assessment rates in arrears

37.1 The municipality may apply to Court for the attachment of any rent due in respect of rateable property to cover in part or in full any amount outstanding in respect of assessment rates for a period longer than the months after the fixed date.

Disposal of municipal property and payment of assessment rates

38.1 The purchaser of municipal property is pro rata liable for the payment of assessment rates on the property in respect of the financial year in which the purchaser becomes the new owner as from the date of registration in the name of the purchaser.

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38.2 In the event of the municipality repossessing the property, any outstanding and due amount in respect of assessment rates shall be recoverable from the purchaser.

Assessment rates payable on municipal property

39.1 The lessee of municipal property is responsible for payment of any general assessment rates payable on the property for the duration of the lease, as if the lessee is the owner of such property.

(2) The municipality may include the assessment rates in respect of municipal property in the rent payable by the lessee, instead of claiming it separately as in the case of owners of properties.

CHAPTER 4: PROVISION OF MUNICIPAL SERVICES TO INDIGENT CUSTOMERS**Qualification for registration**

- 40.1 A domestic customer with a household –
- a) whose combined monthly gross income of its members over the age of 18 years old is less than an amount determined by the municipal council from time to time;
 - b) owning not more than one property; and
 - c) not having an income from letting a property or portion of a property;
- may apply for registration as an indigent customer.

Application for registration

41.1 A domestic customer wishing to qualify as an indigent customer must complete the application form entitled "*Application for Registration as Indigent Customer*"

- 41.2 Any application in terms of sub-section 41.1 must be –
- a) accompanied by –
 - (i) documentary evidence of income, such as a letter from the customer's employer, a salary advice, a pension card, unemployment insurance fund card; or
 - (ii) an affidavit declaring unemployment or income; and
 - (iii) the customer's latest municipal account in his or her possession; and
 - (iv) a certified copy of the customer's identity document; and
 - (v) the names and identify numbers of all occupants over the age of 18 years who are resident at the property.

41.3 A customer applying for registration as an indigent customer shall be required to declare that all information provided in the application form and other documentation and information explained to the customer and that the customer indicated that the contents of the declaration were understood.

Approval of application

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42.1 The municipality may send representatives to premises of domestic customers applying for registration as indigent customers to investigate whether the information provided prior to approval of an application is correct. The provisions of section 61 apply to such an investigation.

42.2 An application received in accordance with section 41 shall be considered by the municipality and the applicant shall be advised in writing within 14 (fourteen) working days of receipt of such application by the municipality as to whether or not the application is approved. If it is not approved, the applicant shall be given reasons therefore.

42.3 The provisions of Part 5 of Chapter 2 shall mutatis mutandis apply in respect of a customer that feels aggrieved by a decision of the municipality in terms of sub-section 42.2.

42.4 An application shall be approved for the period of the municipality's financial year only. An application approved during the municipality's financial year shall only be valid for the remaining period of the municipality's financial year.

Conditions

- 43.1 The municipality may on approval of an application or at any time thereafter -
- a) install a pre-payment electricity meter for the indigent customer where electricity is provided by the municipality; and
 - b) limit the water supply services of an indigent customer to basic water supply services.

Annual application

44.1 An indigent customer must annually, before the end of the municipality's financial year re-apply for re-registration as an indigent customer for the forthcoming financial year, failing which the assistance will cease automatically.

44.2 The provisions of sections 40 and 41 shall apply to any application in terms of sub-section 44.1.

44.3 An indigent customer shall have no expectation of being regarded as an indigent customer in any year that ensues or follows a year in which he or she was so registered. The municipality gives no guarantee of renewal.

44.4 The municipality shall inform the applicant in writing within 14 (fourteen) working days of receipt of such application by the municipality as to whether or not the application is approved. If it is not approved, the applicant shall be given reasons thereof.

44.5 The provisions of Part 5 of Chapter 2 shall mutatis mutandis apply in respect of a customer that feels aggrieved by a decision of the municipality in terms of sub-section 44.4.

Subsidised services for indigent customers

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45.1 The municipal council may annually as part of its budgetary process determine the municipal services and levels thereof that will be subsidised in respect of indigent customers subject to principles of sustainability and affordability.

45.2 The municipality must on a determination in terms of sub-section 45.1 give public notice of such determination.

45.3 Public notice in terms of sub-section 45.2 must contain at least the following –

- a) the level or quantity of municipal service that will be subsidised;
- b) the level of subsidy;
- c) the method of calculating the subsidy; and
- d) any special terms and conditions that will apply to the subsidy, not provided for in these by-laws.

45.4 An indigent consumer shall be liable for the payment of any municipal services rendered by the municipality or municipal services used or consumed in excess of the levels or quantities determined in sub-section 45.1.

45.5 The provisions of Chapter 2 shall mutatis mutandis apply to the amounts due and payable in terms of sub-section 45.4.

Existing Arrears of indigent customers on approval of application

46.1 Arrears accumulated in respect of the municipal accounts of customers prior to registration as indigent customers will be suspended for the period that a customer remains registered as an indigent customer, and interest shall not accumulate in respect of such arrears during such a suspension.

46.2 Arrears suspended in terms of sub-section 46.1 shall become due and shall be paid by the customer in monthly instalments to be determined by the municipality, on de-registration as an indigent customer in accordance with section 49 and interest will be payable in respect thereof.

46.3 Notwithstanding the provisions of sub-section 46.2 arrears suspended for a period of two (2) years or longer shall not be recovered from a customer on de-registration, subject to the provisions of sub-section 46.4.

46.4 Arrears not recovered due to the provisions of sub-section 46.2 shall remain a charge against the property of the indigent customer for a period of 5 (five) years after the customer was first registered as an indigent customer and shall become due and payable when the property is sold, irrespective of the fact that the customer is no longer registered as an indigent customer at the time that the property is sold. A clearance certificate in respect of the property shall only be issued by the municipality when such arrears have been settled in full.

Audits

47.1 The municipality may undertake regular random audits to –

- a) verify the information provided by indigent customers;

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- b) record any changes in the circumstances of indigent customers; and
- c) make recommendations on the de-registration of the indigent customer.

De-registration

48.1 Any customer who intentionally or negligently provides or has provided false information in the application form or any other documentation and information in connection with the application –

- a) shall automatically, without notice, be de-registered as an indigent customer from the date on which the municipality obtains evidence that such information is false; and
- b) shall be held liable for the payment of all services received, in addition to any other legal actions the municipality may take against such a customer.

48.2 An indigent customer must immediately request de-registration by the municipality if his or her circumstances has changed to the extent that he or she no longer meet the qualifications set out in section 40.

48.3 An indigent customer shall automatically be de-registered if an application in accordance with section 44 is not made or if such application is not approved.

48.4 An indigent customer shall automatically be de-registered if an audit or verification concludes that the financial circumstances of the indigent customer has changed to the extent that he or she no longer meet the qualifications set out in section 39.

48.5 An indigent customer may at any time request de-registration.

48.6 In the event of de-registration in terms of section 48.2 and 48.4, the municipality shall notify the customer of such in writing of such de-registration within 7 (seven) working days after de-registration.

48.7 The provisions of Part 5 of Chapter 2 shall mutatis mutandis apply in respect of a customer feeling aggrieved by de-registration in terms of sub-section 48.3 and 48.4.

CHAPTER 5: EMERGENCY SITUATIONS**Declaration of emergency situations**

49.1 The municipal council may at any time at the request of the municipality declare by public notice, a supply zone an emergency situation in respect of a municipal service or more than one municipal service if, in its opinion, a significant risk to the financial viability or sustainability of the municipality or a specific municipal service exist and that no other reasonable measures can be taken to avoid or limit the risk, provided that the municipality has submitted a report that contain at least –

- a) Details of all measures taken by it to avoid or limit the risk;
- b) An assessment of why the measures taken by it to avoid or limit the risk has been unsuccessful;

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- c) Details of the proposed measures to be taken by it to avoid or limit the risk;
- d) An assessment of the impact or potential impact of the proposed measures on individual customers within the relevant supply zone, including, but not limited to health and access to basic service implications;
- e) Details of the education and communication measures to be taken prior to the implementation of the proposed measures;
- f) The duration of the proposed measures to be taken; and
- g) Details of the reasonable measures to be taken to ensure equitable access by each household in the supply zone to that municipal service.

49.2 Public notice in terms of sub-section 49.1 must contain at least the following details applicable to a specific emergency situation –

- a) The reasons for the declaration;
- b) The customers and supply zone that will be affected by the declaration;
- c) The type, level and quantity of the municipal service that will be provided;
- d) The duration of the declaration;
- e) The method of implementing the declaration;
- f) Specific measure or precautions to be taken by affected customers; and
- g) Special relief that may be granted to individual consumers on application to the municipality.

49.3 In the event of a declaration of a supply zone as an emergency area in accordance with sub-sections 49.1 and 49.2, the municipal service to that supply zone may be limited to basic municipal services per household as determined by the municipality from time to time, provided that at no time may the municipal service provided by the municipality to that supply zone be less than the collective quantity and quality of basic municipal services per household in that supply zone.

49.4 The municipality must on a monthly basis submit a status report to the municipal council that contain at least the following details –

- a) Any improvement in the information on which the declaration was based;
- b) The impact of the proposed measures on individual customers within the relevant supply zone, including, but not limited to health and access to basic services implications; and
- c) Special relief granted to individual customers

49.5 The municipal council must change the declaration of an emergency area by public notice –

- a) If any of the information on which the declaration was based improves to the extent that the risk referred to in sub-section 49.1 is avoided or limited;

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- b) If in its opinion, undue hardship are endured by the customers affected by the declaration;
- c) On expiry of the duration specified in terms of sub-section 49.1 and 49.2.

49.6 The municipality may again request the municipal council to declare a supply zone an emergency area on a change of a declaration in terms of sub-section 49.3, if in the municipality's opinion it is required.

49.7 The provisions of sub-sections 49.1 to 49.4 apply to a request in terms of sub-section (6).

CHAPTER 6: UNAUTHORIZED SERVICES**Unauthorized services**

50.1 No person may gain access to municipal services unless it is in terms of an agreement entered into with the municipality for the rendering of those services.

50.2 The municipality may, irrespective of any other action it may take against such person in terms of these by-laws by written notice order a person who is using unauthorized services to –

- a) Apply for such services in terms of sections 1 and 2; and
- b) Undertake such work as may be necessary to ensure that the customer installation through which access was gained complies with the provisions of these or any other relevant by-laws.

Interference with infrastructure for the provision of municipal services

51.1 No person other than the municipality shall manage, operate or maintain infrastructure through which municipal services are provided.

51.2 No person other than the municipality shall effect a connection to infrastructure through which municipal services are provided

Obstruction of access to infrastructure for the provision of municipal services

52.1 No person shall prevent or restrict physical access to infrastructure through which municipal services are provided.

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52.2 If a person contravenes sub-section 52.1, the municipality may –

- a) By written notice require such person to restore access at his or her own expense within a specified period; or
- b) If it is of the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.

Illegal re-connection

53.1 A customer whose access to municipal services have been restricted or disconnected, who intentionally unlawfully re-connects or allows another person to re-connect services or who intentionally or negligently interferes with infrastructure through which municipal services are provided, shall immediately be disconnected.

53.2 A person who re-connects to municipal services in the circumstances referred to in sub-section 53.1 shall be liable to pay for any services that he, she or it may have utilized or consumed in breach of these by-laws, notwithstanding any other actions that may be taken against such person.

53.3 The consumption will be estimated based on the average consumption of services to the specific area within which the unauthorized connection was made.

Immediate disconnections

54.1 The provision of municipal services may immediately be disconnected by the municipality if any person unlawfully and intentionally or negligently interferes with infrastructure through which municipal services are provided.

CHAPTER 7: OFFENCES**Offences**

55.1 Any person who –

- a) Obstructs or hinders the municipality in the exercising of the powers of performance of functions or duties under these by-laws;
- b) Contravenes or fails to comply with a provision of these by-laws other than a provision relating to payment for municipal services;
- c) Fails to comply with the terms of a notice served upon him/her in terms of these by-laws;

Shall be guilty of an offence and liable upon conviction to a fine not exceeding R10,000.00 (ten thousand Rand) or a period of imprisonment or community service not exceeding 6 (six) months, or a combination of the aforementioned and in the event of a continued offence to a further fine of R4,000.00 (four thousand Rand) for every day during the continuance of such offence.

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CHAPTER 8: DOCUMENTATION**Signing of notices and documents**

56.1 A notice or document issued by the municipality in terms of these by-laws and signed by a staff member of the municipality shall be deemed to be duly issued and must on its mere production be accepted by a court as prima facie evidence

Notices and documents

57.1 Any notice or other document that is served on an owner, customer or any other person in terms of these by-laws is regarded as having been served –

- a) If it has been delivered to that person personally;
- b) When it has been left at the person's village, place of residence, or business or employment in the Republic with a person apparently over the age of sixteen years;
- c) When it has been posted by registered or certified mail to that person's last known residential address or business address in the Republic and an acknowledgement of posting thereof from the postal service is obtained;
- d) If that person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in the manner provided in sub-sections (a) – (c); or
- e) If that person's address and agent or representative in the Republic is unknown, when it has been posted in a conspicuous place on the property or premises, if any, to which it relates.

57.2 When any notice or other document must be authorised or served on the owner, occupier or holder of 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 is not necessarily the name of that person.

57.3 In the case where compliance with a notice is required within a specified number of working days, such period shall be deemed to commence on the date of delivery or sending of such notice.

Authentication of documents

58.1 Every order, notice or other document requiring authentication by the municipality shall be sufficiently authenticated. If signed by the municipal manager or by a duly authorised person of the municipality; such authority being conferred by resolution of the municipality, written agreement or by a by-law.

Prima facie evidence

59.1 In legal proceedings by or on behalf of the Municipality, a certificate reflecting the amount due and payable to the municipality, under the hand of the municipal manager, or suitably

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qualified staff member authorised by the municipal manager or the Manager of the municipality's authorised agent, shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness.

GENERAL PROVISIONS**Provision of Information**

60.1 An owner, occupier, customer or person with in the area of supply of the municipality must provide the municipality with accurate information.

Power of entry and Inspection

61.1 The municipality may enter and inspect any premises for any purpose connected with the implementation or enforcement of these by-laws, at all reasonable times, after having given reasonable written notice to the occupier of the premises of the intention to do so, where appropriate. The owner and or occupier of property must allow an authorized representative of the municipality access at all reasonable hours to the property in order to read, inspect, install or repair any metering device or service connection for reticulation, or to disconnect, stop or restrict, or reconnect, the provision of any service. If a customer fails to comply, the municipality or its authorised representative may –

- a) By written notice require such customer to restore access at his/her own expense within a specified period.
- b) If it is the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such customer.

61.2 The property owner may be held responsible for the cost of relocating a metering device if satisfactory access is not possible or if the access to the metering device is denied to the municipality.

61.3 Any entry and inspection must be conducted in conformity with the requirements of the Constitution of South Africa Act No. 108 of 1996, and any other law, in particular with strict regard to decency and order, respect for a person's dignity, freedom and security and personal privacy.

61.4 The Municipality may be accompanied by an interpreter and any other person reasonably required assisting the authorised official in conducting the inspection.

61.5 A person representing the Municipality must, on request provide his or her identification.

Exemption

62.1 The municipality may, in writing exempt an owner, customer, any other person or category of owners, customers, ratepayers, users of services from complying with a provision of these by-laws, subject to any conditions it may impose. If it is of the opinion that the application or operation of that provision would be unreasonable, provided that the municipality shall not grant exemption from any section of these by-laws that may result in –

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- a) the wastage or excessive consumption of municipal services;
- b) the evasion or avoidance of water restrictions
- c) significant negative effects on public health, safety or the environment
- d) the non-payment for services
- e) the Act, or any regulations made in terms thereof, is not complied with.

62.2 The municipality at any time after giving written notice of at least thirty days withdraw any exemption given in terms of sub-section 62.1.

Indemnification from liability

63.1 Neither employees of the municipality nor any person, body or organisation or corporation acting on behalf of the municipality is liable for any damage arising from any omission or act done in good faith in the course of his or her duties.

Availability of by-laws

64.1 A copy of these by-laws shall be included in the municipality's Municipal Code as required in terms of legislation.

64.2 The municipality shall take reasonable steps to inform customers of the contents of the by-laws.

64.3 A copy of these by-laws shall be available for inspection at the offices of the municipality at all reasonable times.

64.4 A copy of the by-laws may be obtained against payment of R100,00 from the municipality.

Conflict of law

65.1 When interpreting a provision of these by-laws, any reasonable interpretation which is consistent with the purpose of the Act as set out in Chapter 9 on Credit Control and Debt Collection, must be preferred over any alternative interpretation which is inconsistent with that purpose.

65.2 If there is any conflict between these by-laws and any other by-laws of the Council, these by-laws will prevail.

Repeal of existing municipal credit control and debt collection by-laws

66.1 The provisions of any by-laws relating to credit and debt collection by the municipality are hereby repealed insofar as they relate to matter provided for in these by-laws; provided that such provisions shall be deemed not have been repealed in respect of any such by-laws which has not been repealed and which is not repugnant to these by-laws on the basis as determined by the relevant by-laws.

Short Title and commencement

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67.1 These by-laws are called the Credit Control and debt Collection by-laws of the Emfuleni Local Municipality.

67.2 The Municipality may, by notice in the Provincial Gazette, determine that provisions of these by-laws, listed in the notice, does not apply in certain areas within its area of jurisdiction listed in the notice from a date specified in the notice.

67.3 Until any notice contemplated in sub-section 67.2 is issued, these By-laws are binding.

LOCAL AUTHORITY NOTICE 1005

Vaal River City, the Cradle of Human Rights

PROPERTY RATES LEVIES**DETERMINATION OF PROPERTY RATES LEVIES FOR THE 2015/2016 FINANCIAL YEAR**

1. In terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, as amended, the following rates (cent in the Rand amount) are approved for the financial year 1 July 2015 to 30 June 2016, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Ref no	Category	Rate Ratio	Rate (Cent in the Rand)
1	Residential properties	1:1	R0.01059
2	Undeveloped vacant residential properties	1:2	R0.02118
3	Business and Commercial properties	1:2	R0.02118
4	Undeveloped vacant business and commercial properties	1:2.5	R0.02648
5	Industrial properties	1:2.5	R0.02648
6	Undeveloped vacant industrial	1:3	R0.03177

	properties		
7	Agricultural properties	1:0.25	0.00265
8	Vacant agricultural properties	1:0.25	0.00265
9	State-owned properties	1:2	0.02118
10	Vacant State-owned properties	1:2.5	0.02648
11	Protected areas	1:0	0.00
12	Municipal properties	1:1	0.01059
13	Public Service Infrastructure	1:0.25	0.00265
14	Public Benefit Organization Properties	1:0.25	0.00265
15	Servitudes	1:0.25	0.00265
16	Public monuments and memorials	1:0	0.00
17	Township title properties	1:0	0.00
18	State trust land	1:0	0.00
19	Communal land	1:0	0.00
20	Exclusive use area used for business purposes	1:2	0.02118
21	Exclusive use area used for residential purposes	1:1	0.01059
22	Exclusive use area used for industrial purposes	1:2.5	0.02648
23	Properties used for multiple purposes	Per use	Per use
24	Place of worship and / or vicarage	1:0	0.00
25	Mining properties	1:2	0.02118

2. Rates to be levied shall become due and payable in twelve equal installments on fixed days for twelve consecutive months, being on or before the 7th day of every month, following the month in which it has been levied or the due date as per municipal statement, whichever is the earlier;

3. Exemptions, reductions and rebates are granted to certain categories of property usage and/or property owners as defined in the Property Rates Policy. The following

categories of property usage and/or property owners as defined in Section 10 of the Municipal Property Rates Policy qualify for exemptions, rebates and reductions:

3.1 Exemptions:

The following categories of property are exempted from rates:-

(a) The following types of property owned by or vested in the Council are exempt from rates:

- (i) Public service infrastructure owned by the Council or a service provider, including Public service infrastructure vested in the Council.
- (ii) Refuse tip sites;
- (iii) Municipal burial grounds and adjacent public open space within the burial ground precinct and municipal crematoria;
- (iv) Property used for the provision of public parks and zoned as Public open space and includes undeveloped municipal property which is for the purposes of this Policy deemed to be public open space;
- (v) Property used for cultural, sporting and recreational facilities other than property subject to a registered lease and
- (vi) Municipal housing schemes.

(b) Residential Properties:

In line with Section 17(1)(h) of the Local Government: Municipal Property Rates Act, No. 6 of 2004, on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the Council.

3.2 Reductions:

- (a) Residential Properties:
 - (i) In addition to the impermissible rates as referred to in Section 17(1)(h) of the Act a further R135 000 reduction on the market value of a property will be granted.
- (b) Undeveloped vacant residential properties:
 - (i) A reduction on the first R40 000 of the market value of a property will be granted.

3.3 Rebates:

In terms of section 15 of the Local Government: Municipal Property Rates Act,

- (a) Residential Properties:

A rebate of 30% on the cent in the rand amount payable on residential properties will be granted.
- (b) All state owned properties (excluding properties falling in the category for Public Benefit Organization properties) as defined in the Rates Policy:

A rebate of 20% on the cent in the rand amount payable on all state owned properties will be granted.
- (c) Rebates to pensioners, disabled and/or medically unfit as well as owners of poor households in respect of all properties used for residential purposes (Indigent households are addressed in Indigent Policy):-
 - (i) A rebate based on the gross monthly income may be granted in addition to the rebates mentioned in (a) above to registered owners of residential properties who qualify according to the gross monthly

household income of all persons normally residing on that property as highlighted in xiii.

- (ii) To qualify for the rebate a property owner must:
- * Be a natural person;
 - * Be the registered owner of the property;
 - * Occupy the property as his her normal residence on a full time basis;
 - * Complete a prescribed application form obtainable from the Municipality.
 - * Obtain written confirmation from the municipality that such application was successful.
- (iii) The following shall also apply:-
- * If the residence is vacated or the applicant passes away or an applicant reaches the age of 60 during the year, the rebate shall be calculated pro rate as from such date;
 - * Submission of following the documentation as proof:
 - Copy of Identification document;
 - Pension card;
 - Bank statements for last three months or other official financial proof of income as may be requested and
 - Payslip for the last three months;
- (iv) Additional rebates are only applicable to applicants whose municipal accounts are paid in full;
- (v) Medical unfit persons who have not been declared unfit by a pension fund must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical physicians;
- (vi) Disabled persons who have been declared disabled must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical physicians;
- (vii) Applications who meet all the criteria may receive the rebate from date of receipt of the application;

- (viii) The rebate will be valid until the end of the financial year, and applications must be submitted annually;
- (ix) If applicant owns other properties for which a market related rental or any other non market rental is obtained the rental will form part of the gross monthly household income;
- (x) If the permitted use of a property in this category changes during a financial year, any rebate is forfeited from the date of approval by the Council of such change;
- (xi) Pensioners must be 60 years and older;
- (xii) Additional rebates be suspended if the applicant does not comply with point (ii) to (xi) mentioned above and
- (xiii) The gross monthly household income levels and rebates are set out in the table hereunder (% rebate will be applicable on the monthly rates payable):

Gross monthly household income	% Rate rebate
R0.00 to Indigent threshold	100%
Indigent threshold to R5000.00	90%
More than R5000.00 to R5 500.00	80%
More than R5 500.00 to R6000.00	70%
More than R6000.00 to R6 500.00	60%
More than R6 500.00 to R7 000.00	50%
More than R7000.00 to R7 500.00	40%
More than R7 500.00 to R8000.00	30%
More than R8000.00 to R8 500.00	20%
More than R8 500.00 to R9000.00	10%

(d) Development incentives

The following will apply:-

A 50% rate rebate on the cent in the rand amount payable on the property will be applicable if the following criteria are met:-

1. All applicants must complete a standard application form obtainable from the Municipality and must declare under oath that:
 - (i) Building plans have already been submitted to the Municipality for approval but not yet approved due to a delay on the side of the Municipality; or

- (ii) Building plans have been approved by the Municipality and construction has already started; or
 - (iii) Building plans were submitted but development is not possible due to:
 - * Municipal services not available to commence with development (Water, electricity and sanitation, etc);
 - * The fact that the Municipality has not yet approved the applications for example re-zoning, township applications, etc.
2. Rebates will only be applicable:
- (i) If the standard application is approved;
 - (ii) For a 12 months period where after the applicant must re-apply;
3. In the event that the property is sold prior to completion of development the new owner must inform the Municipality and re-apply accordingly;
4. The Municipality reserves the right to refuse or reverse any rebate if the details submitted in the application are incomplete, incorrect, or false.
5. Unregistered erven (Township title properties) shall not be rateable until first registration takes place or a certificate of registered title has been issued by the Registrar of Deeds.
- (e) All application for indigency will be dealt with in accordance to Council's approved indigent policy.
- (f) An owner of a property situated within an area affected by a disaster within the meaning of the Disaster Management Act 2002, (Act 57 of 2002), shall be entitled to an exemption, rebate and/or reduction in rates

in respect of such affected property, as determined or recommended by National or Provincial Government and as adopted by the Council.

- (g) On application property owned by a public benefit organization and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act will be granted an rebate on the general rate in line with the latest promulgated rate ratio's (1:0.25).
- (h) On application, owners of agricultural properties (used for bona fide farming purposes) will be granted a rebate on the rate that is in line with the promulgated rate ratio on agricultural properties in line with the latest promulgated rate ratio's (1:0.25).
- (i) On application properties owned and primarily used as premises by a sports club for a *bona fide* sporting activity or activities which entails an activity involving physical exertion and skill in which an individual or team competes against another or others and which sports club is registered / affiliated to the relevant sport association or federation, will be granted a 75% rebate on the cent in the rand amount payable on the property.
- (j) On applications on properties owned by juristic persons that fall under the ambit of the Housing Development Schemes for Retired Persons Act 65 of 1988 will be granted a rebate on the cent in the rand amount payable that is equal to the rate ration of 1:0.25 as determined by council during the annual budget process. The juristic person must pass the rebate benefit to registered holders of a right of occupation, failing which the council may apply full rating with retrospective effect to the date on which council applied the rebate.
- (k) On application all properties owned by an organization that fall under the ambit of the Non-Profit Organization Act, 71 of 1997 will be granted a rebate on the cent in the rand amount payable on the property that is

equal to the rate ratio of 1:0.25 as determined by Council during the annual budget process. Must provide a tax clearance and through their financials show that the profits are used to the benefit of the Organization.

- (l) On application all properties in respect of which an endorsement has been registered in the Deeds Office in terms of Section 4C of the Housing Development Scheme for Retired persons Act, 65 of 1988 or which are registered in terms of Section 18 of the Older Persons Act, 13 of 2006 as a residential facility shall be granted a rebate on the cent in the rand amount payable on that property equal to the rate ratio of 1:0.25, as determined by Council during the annual budget process.

Under no circumstances shall the aggregate of rebates and reductions for which an owner or property qualifies, exceed 75% of the rates payable in respect of such owner/property, but for the application of rebate and/or reduction, excluding 3.3(c).

4. Interest will be charged per month or part thereof on all arrear assessment rates at the applicable interest rate as approved by Council from time to time.
5. Rates levies be published and communicated as set out in section 21 of the Local Government: Municipal Systems Act, Act No. 32 of 2000, as amended as well as in terms of budget process as set out in Chapter 4 of the Municipal Finance Management Act.
6. Rates levies be promulgated and displayed in line with Section 14 of the Local Government: Municipal Property Rates Act, Act No. 6 of 2004.

LOCAL AUTHORITY NOTICE 1006



Vaal River City, the Cradle of Human Rights

**RATES BY-LAWS TO
GIVE EFFECT TO
PROPERTY RATES
POLICY**

2015/2016 FINANCIAL YEAR

RATES BY-LAWS

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PREAMBLE

WHEREAS Section 229(1) of the Constitution of the Republic of South Africa authorises a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the municipality;

AND WHEREAS section 3 of the Local Government: Municipal Property Rates Act, 2004 (No 6 of 2004), a municipality must adopt a policy consistent with the Act on the levying of rates on rateable property in the municipality;

AND WHEREAS section 6 of the Local Government: Municipal Property Rates Act, 2004 (No 6 of 2004) requires a municipality to adopt by-laws to give effect to the implementation of its rates policy: the by-laws may differentiate between the different categories of properties and different categories of owners of properties liable for payment of rates;

AND WHEREAS section 13 of the Local Government: Municipal Systems Act, 2000 read with section 162 of the Constitution requires a municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant province.

NOW therefore be it enacted by the Council of Emfuleni Municipality, as follows:

1. DEFINITIONS

In this by-laws, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) shall bear the same meaning in these by-laws and unless the context indicates otherwise-

“Municipality” means the municipal council for the municipal jurisdiction area of Emfuleni Local Municipality;

“Credit Control and Debt Collection Policy” means the Municipalities Credit Control and Debt Collection Policy as required by sections 96(b) and 97 of the Local Government: Municipal Systems Act, 32 of 2000;

“Rate” or “rates” means a municipal rate as envisaged in section 229 of the Constitution of the Republic of South Africa.

“Rates Policy” means the rates policy adopted by the Council of the Municipality from time to time, contemplated in chapter 2 of the Property Rates Act and which is consistent with the Local Government: Municipal Property Rates Act, Act no. 6 of 2004 as amended.

“Property Rates Act” means the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004);

2. OBJECTS

The object of this by-law is to give effect to the implementation of the Rates Policy as contemplated in section 6 of the Property Rates Act.

3. ADOPTION AND IMPLEMENTATION OF PROPERTY RATES POLICY

3.1 The municipality shall adopt and implement a rates policy consistent with the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) on the levying of rates on rateable property in the municipality and

3.2 The municipality shall not be entitled to levy rates other than in terms of a valid rates policy.

4. CONTENTS OF PROPERTY RATES POLICY

The municipality's property rates policy shall inter alia:

4.1 Apply to all rates levied by the municipality pursuant to the adoption of the municipality's annual budget;

4.2 Comply with the requirements for:-

(a) the adoption and contents of a property rates policy specified in section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004);

(b) the process of community participation specified in section 4 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004);

(c) the annual review of a rates policy specified in section 5 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004);

4.3 Provided for principles, criteria and implementation measures consistent with the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) for the levying of rates which the municipality may adopt and

4.4 Provide for enforcement mechanisms that are consistent with the Property Rates Act and Local Government: Municipal Systems Act, 2000 as well as enforcement mechanisms contained in the Credit Control and Debt Collection Policy.

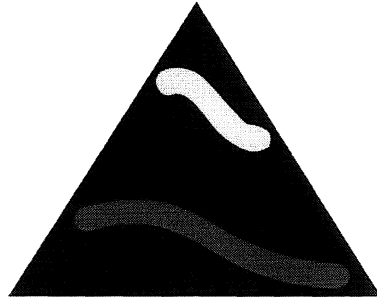
5. ENFORCEMENT OF PROPERTY RATES POLICY

The municipality's property rates policy shall be enforced through the Credit Control and Debt Collection Policy and any further enforcement mechanisms stipulated in the municipality's Property Rates Policy.

6. SHORT TITLE AND COMMENCEMENT

This By-Law is called the Rates By-law, and takes effect on 1 July 2015.

LOCAL AUTHORITY NOTICE 1007



EMFULENI
LOCAL MUNICIPALITY

Vaal River City, the Cradle of Human Rights

PROPERTY RATES
POLICY

2015/2016 FINANCIAL YEAR

Section 3 of Local Government: Municipal Property Rates Act,
No. 6 of 2004

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PREAMBLE

WHEREAS the Constitution of the Republic of South Africa, 1996 empowers the Council to impose rates on property in their Municipal area;

AND WHEREAS section 3 of the Local Government: Municipal Property Rates Act, 2004 (No 6 of 2004) determines that the council of a municipality must adopt a rates policy in accordance to the determination of the Act;

AND WHEREAS the Council must, in terms of section 5(1) of the Act, annually review, and may, if necessary, amend the rates policy;

AND WHEREAS this policy does not contain all provisions of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) but lists the key provisions that the municipality deems necessary for ratepayers to be aware of so that they fully understand rating issues that will affect them and must therefore be read in conjunction with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and any regulation promulgated in terms thereof from time to time;

NOW THEREFORE the following policy on the levying of property tax is adopted.

SECTION A

1. INTRODUCTION

The Local Government: Municipal Property Rates Act (2004) requires Municipalities to develop and adopt rates policies in consistent with the Act on the levying of rates on rateable property in the municipality. Herewith is the proposed draft rates policy of Emfuleni Local Municipality to which residents/communities are invited to make suggestions and/or recommendations to the municipality by the date as highlighted in the public notices. Based on the public submissions, the municipal council will make a final decision. Where necessary oral presentations would be requested including bilateral meetings to obtain clarity on the submitted comments as well as further motivations thereof.

The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include for example installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; and building and operating clinics, parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are set, collected, and used locally. Revenue from property rates is spent within a municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDPs) and budget processes, which a municipality invites communities to input prior municipal council adoption of the budget.

2. OBJECTIVE

In developing and adopting this rates policy, the Council has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

- The Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;
- There is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfill its developmental responsibilities;

- Revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and
- It is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which takes account of historical imbalances and the burden of rates on the poor.
- In applying its rates policy, the Council shall adhere to all the requirements of the Act including any regulations promulgated in terms of the Act.

The objective of this policy is also to ensure that:

- All persons liable for property rates are treated fairly, equitably and reasonably;
- Rates are levied in accordance with the market value of the property;
- That rate will be based on the value of all rateable property and the amount required by the municipality to fulfill its developmental responsibility as well as to balance the operational budget, taking into account the surplus obtained from the trading and economical services and the amounts required to cover the costs of exemptions, reductions and rebates which the Council approves from time to time;
- Income from rates will be used to finance community and subsidized services and not trading or economical services and
- To optimally safeguard the income base of the municipality through exemptions, reductions and rebates which are reasonable and affordable.

3. DEFINITIONS

"Act" means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and includes the regulations made in terms of Section 83 of the Act;

"Agricultural Purposes" in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;

"bona fide farmer" means a person that conducts farming activities on an agricultural property or properties which is used *bona fide* and exclusively by the owner or occupier for agricultural purposes and "bona fide farming" has a corresponding meaning;

"Business and commercial property" means:

- (a) Property used for the activity of buying, selling or trade in commodities, goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such activity, or
- (b) Property on which administration of business of private or public entities take place: and "business and commercial properties" has a corresponding meaning;

"Certificate of occupancy" means the certificate issued by the Council in terms of the National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977);

"Chief financial officer" means a person designated in terms of section 80(2)(a) of the Local Government: Municipal Finance Management Act 2003 (Act No 56 of 2003);

"Constitution" means the Constitution of the Republic of South Africa, Act No 108 of 1996;

"Core family" means a couple, irrespective of gender (whether married or not), with or without children and/or the parents of either;

"Council" means:

- (a) The Emfuleni Local Municipality established in terms of as Section 12 of the Local Government: Municipal Structures Act 1998 (Act No 117

of 1998), as amended, exercising its legislative and executive authority through its Municipal Council; or

(b) Its successor in title; or

(c) A structure or person exercising a delegated power or carrying out an instruction, where any power in this policy has been delegated or sub-delegated, or an instruction given, as contemplated in section 59 of the Municipal Systems Act;

(d) In respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it;

(e) Through a service delivery agreement in terms of section 81(2) of the Municipal Systems Act or any other law, as the case may be;

“Due date” means the date specified as such on a municipal account for any rates payable and which is the last day allowed for the payment of such rates;

“Exclusion” in relation to a municipality’s rating power means a restriction of the power as provided for in Section 17 of the Act;

“Exemption” in relation to the payment of a rate, means an exemption granted by the Municipality in terms of Section 15 of the Act;

“Dwelling” means a house designed to accommodate a single core family, including the normal outbuildings associated therewith;

“Financial year” means any period commencing on 1 July of a calendar year and ending on 30 June of the succeeding calendar year;

“Industrial property” means property used for a branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, on so large scale that capital and labour are significantly involved, and includes any office or other accommodation on the same property, the use of which is incidental to such activity and “industrial property” has a corresponding meaning;

“land tenure right” means any rights referred to in the existing legislation pertaining to communal land envisaged by the Communal Land Rights Act,

2004 (Act 11 of 2004), which is still to be proclaimed and as referred to in the schedule of Acts to be repealed by that Act;

"Market value" in relation to a property, means the value of the property determined in accordance with Section 46 of the Act;

"Mining" means any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;

"Multiple use properties" means properties that cannot be assigned to a single category due to different uses.

"Municipal Systems Act" means the Local Government: Municipal Systems Act, No 32 of 2000, as amended;

"Municipality" means the Emfuleni Local Municipality;

"Municipal properties" means all properties of which the municipality is the owner or which property vest in the municipality but excludes such property owned by or vested in the municipality which is used residential, business and commercial and/or industrial purposes and "municipal properties" has a corresponding meaning;

"Newly rateable property" means any rateable property on which property rates were not levied by 30 June 2005, excluding a property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date.

"Owner" means:

- (a) In relation to a property referred to in paragraph (a) of the definition of "property", a person in whose name ownership of the property is registered;
- (b) In relation to a right referred to in paragraph (b) of the definition of "property", a person in whose name the right is registered;
- (c) In relation to a land tenure right referred to in paragraph (c) of the definition of "property", a person in whose name the right is registered or to whom it was granted in terms of legislation; and

(d) In relation to public service infrastructure referred to in paragraph (d) of the definition of “property”, the organ of state that owns or controls that public service infrastructure; provided that a person mentioned below may for the purpose of the Act be regarded by a municipality as the owner of a property in the following circumstances:

- (i) a trustee, in the case of a property registered in the name of the trustee of a trust, excluding state trust land;
- (ii) an executor or administrator, in the case of a property in a deceased estate;
- (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) a curator, in the case of a property in the estate of a person under curatorship;
- (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it;
- (viii) a buyer, in the case of a property that has been sold by the Municipality and of which possession has been given to the buyer pending registration of ownership in the name of the buyer; or an occupier of a property that is registered in the name of the Municipality.

“Pensioner” mean retired property owners who reached the age of 60 years.

"Protected area" means an area that is or has to be listed in the register referred to in section 10 of the National Environmental Management : Protected Areas Act, 2003 and "protected area" has a corresponding meaning;

"Public Benefits Organisation" means an organisation conducting specified public benefit activities as defined in Section 30 of the Income Tax Act 1962 (Act No 58 of 1962) and registered in terms of the Income Tax Act for tax reductions because of those activities.

"Public benefit property" means property owned by a public benefit organisation and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act and "public benefit properties" has a corresponding meaning;

"Public Service Infrastructure" means publicly controlled infrastructure of the following kinds:

- (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
- (b) water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
- (c) power stations, power substations or power lines forming part of an electricity scheme serving the public;
- (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;
- (e) railway lines forming part of a national railway system;
- (f) communication towers, masts, exchanges or lines forming part of a communications system serving the public;
- (g) runways or aprons at national or provincial airports;
- (h) breakwater, sea walls, channels, basin, quay walls, jeties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons or

any other device or system used to assist the safe and efficient navigation of vessels;

- (i) any other publicly controlled as may be prescribed; or
- (j) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);

“Rate” means a municipal rate on property envisaged in Section 229(1)(a) of the Constitution;

“Ratepayer” means any owner of rateable property as well as any owner of a rateable property held under sectional title, situate within the area of jurisdiction of the Council;

“Rateable property” means property on which a municipality may, in terms of Section 2 of the Act, levy a rate, excluding property fully excluded from the levying of rates in terms of Section 17 of the Act;

“Ratio” means the relationship between two similar magnitudes in respect of quantity, determined by the number of times one contains the other;

“Rebate” in relation to a rate payable on a property, means a discount granted in terms of Section 15 of the Act on the amount of the rate payable on the property;

“Reduction” in relation to a rate payable on a property, means the lowering in terms of Section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount;

“Residential property” means improved property that:

- (a) Is used for residential purposes, including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes;
- (b) Is a unit registered in terms of the Sectional Title Act and is used for residential purposes;
- (c) Is owned by a share-block company and is used for residential purposes;

- (d) Is a residence used for residential purposes situated on a property used for educational purposes;
- (e) Is property which is included as residential in a valuation list in terms of section 48(2)(b) of the Act;
- (f) Is part of a retirement scheme and/or life right scheme used for residential purposes;
- (g) But excluding vacant (empty) stands or is used as a guesthouse, utilized for income generating purposes, hotel, and accommodation establishment, irrespective of their zoning or intended use, and "residential properties" has a corresponding meaning;

"Service provider" means a service provider contemplated in paragraph (d) of the definition of "Council";

"State" means the National Government and the Gauteng Provincial Government;

"State-owned properties" means properties owned by the State, which are not included in the definition of public service infrastructure in the Act.

These state-owned properties are classified as follows:

- (a) State properties that provide local services.
- (b) State properties that provide regional/municipal district-wide/metro-wide service.
- (c) State properties that provide provincial/national service.

"State trust land" means land owned by the state:

- (a) In trust for persons communally inhabiting the land in terms of a traditional system of land tenure;
- (b) Over which land tenure rights were registered or granted; or
- (c) Which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act 22 of 1994);

“Town planning scheme” means

- (a) A town-planning scheme, which is in operation as contemplated in the Town Planning and Townships Ordinance no 15 of 1986;
- (b) Any scheme or document which in terms of any applicable legislation is legally in operation and records or sets out, by means of maps, schedules or any other document, the development rights specifying the purpose for which land may lawfully be used or any buildings may be erected, or both;

“Undeveloped vacant residential properties” means all properties (i) zoned or in respect of which the permitted use is for residential purposes; and (ii) are undeveloped; and (iii) are vacant; and (iv) are within a proclaimed township or a land development.

“Undeveloped vacant business and commercial properties” means all properties (i) zoned or in respect of which the permitted use is for business and commercial purposes; (ii) are undeveloped; and are (iii) vacant; and (iv) within a proclaimed township or a land development area.

“Undeveloped vacant Industrial properties” means all properties (i) zoned or in respect of which the permitted use is for industrial purpose; (ii) are undeveloped; and (iii) are vacant; and (iv) within a proclaimed township or a land development area.

“Vacant Agricultural properties” means all agricultural properties which are vacant.

“Vacant State-owned properties” means properties owned by the Provisional and /or National Government or an organ of State, excluding all properties that fall under the definition of Public Benefit Properties and Municipal Properties which are undeveloped.

“Zoning” means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in the

applicable town planning scheme and “zoned” has a corresponding meaning. Where a property carries multiple zoning rights, the categorization of such property will be determined by apportioning the market value of the property, in a manner as may be prescribed, to the different purposes for which the property is used, and applying the rates applicable to the categories determined by the Municipality for properties used for those purposes to the different market value apportionments.

4. PURPOSE OF THE POLICY

The purpose of the policy is:

- (1) To comply with the provisions as set out in section 3 of the Act.
- (2) To determine criteria to be applied for:
 - (a) Levying differential rates for different categories of properties;
 - (b) Exemptions relating to a specific category of owners of properties, or the owners of a specific category of properties;
 - (c) Rebates and reductions and
 - (d) Rate increases.
- (3) To determine or provide criteria for the determination of:
 - (a) Categories of properties for the purpose of levying different rates; and
 - (b) Categories of owners of properties or categories of properties for the purpose of granting of exemptions, rebates and reductions.
- (4) Determine how the municipality’s powers must be exercised in relation to properties which are to be categorized for multiple purposes.

- (5) Identify and provide reasons for:
 - (a) Exemptions, rebates and reductions;
 - (b) Exclusions; and
 - (c) Where provided for by the Minister for Local Government, rates on properties that must be phased in.
- (6) Take into account the effect of rates on the poor and to provide for appropriate measures to alleviate the rates burden on them;
- (7) Take into account the effect of rates on organisations conducting public benefit activities;
- (8) Take into account the effect of rates on public service infrastructure;
- (9) Determine measures to promote local economic and social development and
- (10) Identify all ratable properties that are not rated.

5. PRINCIPLES

- (1) The Council shall as part of each annual operating budget impose a rate in the rand on the market value of all rateable property as recorded in the municipality's valuation roll and supplementary valuation roll. Rateable property shall include any rights registered against such property, excluding a mortgage bond;
- (2) The Council pledges itself to limit each annual rates increase as far as practicable so that the Council does not overburden its ratepayers.
- (3) The Council shall, in imposing the rate in respect of each financial year, take proper cognizance of the aggregate burden of rates and service charges on property owners, in the various categories of property ownership.

- (4) The Council shall further, in imposing the rate in respect of each financial year, strive to ensure that the aggregate budgeted revenues from property rates, less revenues forgone and less any contributions to the provision for bad or doubtful debts, not to exceed 25% (twenty five percent) of the municipality's aggregate budgeted net revenues for the financial year concerned.
- (5) Other policy principles:
- (a) All persons liable for property rates will be treated equitably and reasonably;
 - (b) Rates will be levied in proportion to the market value of the property;
 - (c) The rates levied will be based on the market value of all rateable properties and the amount required by the municipality to balance the operating budget after taking in account profits generated on trading and economic services and the amounts required to cover the cost of exemptions, rebates and reductions of rates as approved by Council from time to time;
 - (d) Trading and economic services will be ring fenced and tariffs and service charges will be calculated in such a manner that the income generated covers the cost of the services or generates a profit;
 - (e) Profits on trading and economic services may be used to subsidize community and other services;
 - (f) The provision for working capital for community and subsidized service must be equal to the non-payment of rates during the previous financial year and must not include any working capital provision relating to trading and economic services;
 - (g) The income base of the municipality will be protected by limiting exemptions, rebates and reductions.

(h) The ability of a person to pay rates will be taken into account by the municipality.

In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates. In order to minimize major shocks to ratepayers the market values in the new valuation roll will be phased –in over the entire period of the valuation cycle.

(6) The exemptions, rebates and reductions will be determined annually during the budget process.

6. CLASSIFICATION OF SERVICES AND EXPENDITURE

(1) The Chief Financial Officer shall, subject to the guidelines provided by the National Treasury and Mayoral Committee of the Council, make provisions for the following classification of services:

(a) Trading services

- (i) Water
- (ii) Electricity
- (iii) Holiday resorts

(b) Economic services

- (i) Refuse removal
- (ii) Sewerage disposal

(c) Community services

- (i) Air pollution
- (ii) Fire fighting services
- (iii) Local tourism
- (iv) Municipal planning

- (v) Municipal public works, only in respect of the needs of municipalities in the discharge of their responsibilities and to administer functions specially assigned to them under the Constitution or any other law.
- (vi) Storm water management system in built-up areas.
- (vii) Trading regulations
- (viii) Fixed billboards and the display of advertisements in public places
- (ix) Cemeteries, funeral parlours and cremation
- (x) Control of public nuisances
- (xi) Control of undertakings that sell liquor to the public
- (xii) Township development
- (xiii) Facilities for accommodation, care and burial of animals
- (xiv) Fencing and fences
- (xv) Licensing of dogs
- (xvi) Licensing and control of undertakings that sell food to the public
- (xvii) Local amenities
- (xviii) Local sport facilities
- (xix) Municipal parks and recreation
- (xx) Municipal roads
- (xxi) Noise pollution
- (xxii) Pounds
- (xxiii) Public places

- (xxiv) Streets trading/street lighting
 - (xxv) Traffic and parking
 - (xxvi) Building control
 - (xxvii) Licensing of motor vehicles and transport permits
 - (xxviii) Licences – Drivers' and learners' renewal of
 - (xxix) Nature reserves
 - (d) Subsidised services
 - (i) Health and ambulance
 - (ii) Libraries and museums
 - (iii) Proclaimed roads
- (2) Trading and economic services must be ring fenced and financed from service charges while community and subsidized services will be financed from rates.
- (3) Expenditure will be classified in the following categories:
- (i) Salaries, wages and allowances
 - (ii) Bulk purchases
 - (iii) General expenditure
 - (iv) Repairs and maintenance
 - (v) Capital charges (interest and redemption) / depreciation
 - (vi) Contribution to fixed assets
 - (vii) Contribution to funds
 - (a) Doubtful debts
 - (b) Working capital; and

- (c) Statutory funds
- (viii) Contribution to reserves

(4) Cost centres will be created to which the costs associated with providing the service can be allocated:

- (i) By Department
- (ii) By Section/service; and
- (iii) By Division/service.

(5) The subjective classification of expenditure each with a unique vote will be applied to all cost centres.

SECTION B

CATEGORIES OF PROPERTY

7. CRITERIA FOR CATEGORIES OF PROPERTY FOR THE PURPOSE OF LEVYING DIFFERENT RATES

(1) The Council may levy different rates to different categories of rateable property. All rateable property will be classified in a category and will be rated based on the category of the property. For purposes of levying differential rates based on the use, permitted use or geographical area of the properties in terms of section 8(1) read with sections 3(3)(b) and 3(3)(c) of the Act, the following categories (including clarification of category) of properties are determined:

Ref no	Category	Clarification
1	Residential properties	As per definition of "residential properties".

2	Undeveloped vacant residential properties	All properties (i) zoned or in respect of which the permitted use is for residential purposes; and (ii) are undeveloped; and (iii) are vacant; and (iv) are within a proclaimed township or a land development.
3	Business and Commercial properties	As per definition of "business and commercial property".
4	Undeveloped vacant business and commercial properties	All properties (i) zoned or in respect of which the permitted use is for business and commercial purposes; (ii) are undeveloped; and are (iii) vacant; and (iv) within a proclaimed township or a land development area.
5	Industrial properties	As per definition of "industrial properties".
6	Undeveloped vacant industrial properties	All properties (i) zoned or in respect of which the permitted use is for industrial purpose; (ii) are undeveloped; and (iii) are vacant; and (iv) within a proclaimed township or a land development area.

7	Agricultural properties	Properties primarily used for agricultural purposes.
8	Vacant agricultural properties	Agricultural properties which are vacant.
9	State-owned properties	All properties owned by Provincial and / or National Government or an organ of State, excluding all properties that fall under the definition of Public Benefit Properties and municipal properties.
10	Vacant State-owned properties	Properties owned by the Provisional and /or National Government or an organ of State, excluding all properties that fall under the definition of Public Benefit Properties and Municipal Properties which are undeveloped.
11	Protected areas	As per definition of "protected area".
12	Municipal properties	All properties of which the municipality is the owner or which property vests in the municipality but excludes such properties owned by or vested in the Municipality which is used for residential and / or commercial purposes.

13	Public Service Infrastructure	As per definition of "public service infrastructure".
14	Public Benefit Organization Properties	As per definition of "Public Benefit Properties".
15	Servitudes	Real or personal rights, whether registered or not, of one person over the property of another person, which impedes or encumbers the latter's normal rights of ownership in respect of such property.
16	Public monuments and memorials	Monument and memorials (i) erected on land belonging to any branch of central, provincial or local government, or on land belonging to any organization funded by or established in term of the legislation of such a branch of government; or (ii) which were paid for by public subscription, government funds, or a public-spirited or military organization, and are on land belonging to any private individual.
17	Township title properties	Erven in newly proclaimed townships in respect of which certificates of registered title have not been issued.

18	State trust land	As per definition of "State Trust Land".
19	Communal land	Property belonging to a land reform beneficiary or his or her heirs provided that this exclusion lapses 10 years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
20	Exclusive use area used for business purposes	A right contemplated in section 25 or 27 of the Sectional Titles Act, 95 of 1986, registered against the sectional title unit, which is used for business purposes.
21	Exclusive use area used for residential purposes	A right contemplated in section 25 or 27 of the Sectional Titles Act, 95 of 1986, registered against the sectional title unit, which is used for residential purposes.
22	Exclusive use area used for industrial purposes	A right contemplated in section 25 or 27 of the Sectional Titles Act, 95 of 1986, registered against the sectional title unit which is used for industrial purposes.
23	Properties used for multiple purposes	Properties used for multiple purposes and not assigned to any other category where the property

		cannot readily be categorized by referring to the permitted or dominant use of the property.
24	Place of worship and / or vicarage	Properties registered in the name of and used primarily as a place of worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at the place of worship.
25	Mining Properties	Properties used for mining operations as defined in the Minerals and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002);

- (2) Owners of properties who are of the view that their property has been categorized incorrectly may apply to the Council in writing for the category to be reviewed. The Council has the right to request documentary evidence and/or to request the municipal valuer to conduct a physical inspection of the property in order for the municipal valuer to review the category and to amend the valuation roll accordingly, if the review is successful.
- (3) The Council shall exercise its powers by apportioning the market value of a property to the different purposes for which the property is used for.

- (4) If no "Certificate of occupancy" is available or can not be produced the property will be categorized as un-developed or vacant.

SECTION C

DIFFERENTIAL RATING

8. Criteria for differential rating on different categories of properties

The following has been taken into consideration for the purpose of differential rating:

- 8.1 The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
- 8.2 Undeveloped or vacant land will be rated higher (in terms of a Cent amount in a Rand) as the municipality is encouraging owners of vacant land to develop it and that the vacant land should not be used for speculation purpose by owners.
- 8.3 Promotion of social and economic development of a municipality.
- 8.4 Differential rating among the various property categories will be done by way of setting different Cent amount in the Rand for each property category rather than by way of reductions and rebates.

SECTION D**RELIEF MEASURES RELATED TO CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES****9. CRITERIA FOR EXEMPTIONS, REBATES AND REDUCTION**

The following categories of owners of properties or the owners of a specific category of properties have been identified for the purpose of exemptions, rebates and reductions:

- (1) Household owners who are registered as indigents in terms of the adopted policy of Council;
- (2) Owners dependant on pension or a social grant for their livelihood.
- (3) Disabled and medically unfit owners;
- (4) Owners who qualify as having poor households;
- (5) Owners of residential properties with a market value lower than an amount determined by the Municipality;
- (6) Undeveloped properties which are in the process of development;
- (7) Property owned by the Municipality;
- (8) Property owned by the State;
- (9) Owners of property that fall under the ambit of Housing Development Schemes for retired persons Act 65 of 1988;
- (10) Owners of properties primarily used as premises by a sports club for a *bona fide* sporting activity or activities;
- (11) An owner of a property situated within an area affected by a disaster within the meaning of the Disaster Management Act 2002, (Act 57 of 2002);

- (12) Property owned by a public benefit organization and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act.;
- (13) Owners of properties used for bona fide agricultural purposes and
- (14) Properties owned by an Organisation that fall under the ambit of the Non Profit Organisation Act, 71 of 1997.

Whilst some categories of property and categories of owners are granted relief with regard to the payment of rates, no relief shall be granted in respect of the payment for rates to any category of owner of property or to owners of properties on an individual basis, and any relief granted shall only be by way of an exemption, rebate or reduction, as provided for in this Policy.

In granting exemptions, rebates and reductions to the categories of properties and categories of owners, the Council recognizes the following factors:

- (a) The inability of residential property owners to pass on the burden of rates, as opposed to the ability of the owners of business, commercial, industrial and certain other properties to recover such rates as part of the expenses associated with the goods or services which they provide;
- (b) The need to accommodate indigents and less affluent pensioners and persons dependant on a nominal income due to medical incapacitation or other factors as may be determined by Council from time to time;
- (c) The services provided to the community by public service organisations;
- (d) The value of agricultural activities to the local economy coupled with the limited municipal services extended to such activities, but also taking into account the municipal services provided to municipal residents who are employed in such activities;

- (e) The need to preserve the cultural heritage of the local community;
- (f) The need to encourage the expansion of public service infrastructure;
- (g) The indispensable contribution which property developers (especially in regard to commercial and industrial property development) make towards local economic development, and the continuing need to encourage such development; and
- (h) The requirements of the Act.

10. GRANTING OF EXEMPTIONS, REBATES AND REDUCTIONS

Compulsory and mandatory exemptions will be in line with Section 17 of the Local Government: Municipal Property Rates Act, 2004.

10.1 Exemptions

The following categories of property are exempted from rates:

- (a) The following types of property owned by or vested in the Council are exempt from rates:
 - (i) Public service infrastructure owned by the Council or a service provider, including Public service infrastructure vested in the Council;
 - (ii) Refuse tip sites;
 - (iii) Municipal burial grounds and adjacent public space within the burial ground precinct and municipal crematoria;
 - (iv) Property used for the provision of public parks and zoned as Public open space and included undeveloped municipal property which is for the purposes of this Policy deemed to be public open space;

- (v) Property used for cultural, sporting and recreational facilities other than property subject to a registered lease;
 - (vi) Municipal housing schemes.
- (b) The criteria and reasons applied to the exemptions are that these properties are owned by or vested in the Council and used for public purposes.
- (c) Residential Properties:

In line with Section 17(1)(h) of the Local Government: Municipal Property Rates Act, No. 6 of 2004 on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by Council.

10.2 Reductions

The Council shall determine reductions to be applied to the market value of properties from time to time. The criteria and reasons applied to the reductions will be to allow a fixed reduction on the market valuation of:

10.2.1 All properties categorized as residential properties in order to alleviate the tax burden on all owners of residential property within the municipality. In addition to the impermissible rates described in section 17(1)(h) of the Act a further R135 000 reduction on the market value of a property will be granted.

10.2.2 All properties categorized as undeveloped vacant residential properties, in order to encourage development of residential areas by the private sector. A reduction on the first R40 000 of the market value of the property will be granted.

10.3 Rebates

In terms of section 15 of the Act:

- (a) All residential properties shall be granted a uniform rebate of 30% on the cent in the rand amount payable on the property, as determined by the Council during the annual budget process.
- (b) On application all properties owned by juristic persons that fall under the ambit of the Housing Development Schemes for Retired Persons Act 65 of 1988 will be granted a rebate on the cent in the rand amount payable on the property that is equal to the rate ratio of 1:0.25 as determined by council during the annual budget process. The juristic person shall pass the rebate benefit to registered holders of a right of occupation, failing which the council may apply full rating with retrospective effect to the date on which council applied the rebate.
- (c) All state owned properties (excluding properties falling in the category for Public Benefit Properties) as defined in this policy shall be granted a 20% rebate on the cent in rand amount payable on the property, as determined by council during the annual budget.
- (d) On application all properties owned and primarily used as premises by a sports club for a *bona fide* sporting activity or activities which entails an activity involving physical exertion and skill in which an individual or team competes against another or others and which sports club is registered / affiliated to the relevant sport association or federation, shall be granted a rebate on the cent in the rand amount payable on the property that is equal to the rate ratio of 1:0.25 as determined by council during the annual budget process.
- (e) Pensioners, disabled and/or medically unfit as well as owners with poor households in respect of all properties used for residential purposes (indigent persons are addressed in Indigent

Policy) shall be granted an additional rebate expressed as a percentage on the amount of the rate payable on the property, as determined by the Council from time to time, based on the following criteria:

i) A rebate based on the gross monthly income may be granted in addition to the rebates mentioned in (a) above to registered owners of residential properties who qualify according to the gross monthly household income of all persons proven usually residing on that property.

ii) To qualify for the rebate a property owner must:

- Be a natural person;
- Be the registered owner of the property;
- Occupy the property as his/her primary residence on a full time basis;
- Complete a prescribed application form obtainable from the Municipality.
- Obtain written confirmation from the Municipality that such application was successful.

iii) The following shall also apply:

- If the residence is vacated or the applicant passes away or an applicant reaches the age of 60 during the year, the rebate shall be calculated *pro rata* as from such date;
- Submission of the following documentation as proof:
 - Copy of identity document or other acceptable form of personal identification;
 - Pension card;

- Bank statements for last three months or other official financial proof of income as may be requested; and
 - Payslips for the last three months;
- iv) Additional rebates are only applicable to applicants whose municipal accounts are paid in full;
- v) Medically unfit persons who have not been declared unfit by a pension fund must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical practitioners;
- vi) Disabled persons who have not been declared disabled must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical practitioners;
- vii) Applications who meet all the criteria may receive the rebate from date of receipt of application;
- viii) The rebate will be valid until the end of the financial year, and applications must be submitted annually;
- ix) If the applicant owns other properties for which a market related rental or any other market rental is obtained the rental will form part of the gross monthly household income;
- x) If permitted use of a property in this category changes during a financial year, any rebate is forfeited from the date of approval by the Council of such change;
- xi) Pensioners must be 60 years and older;

xii) Additional rebates will be suspended if the applicant fails/neglects to comply with subparagraphs (ii) to (xi) mentioned above; and

xiii) The gross monthly household income levels and maximum rebates applicable to a financial year shall be determined by the Council during the annual budget process:

Gross monthly household income	% Rate rebate
R0.00 to Indigent threshold	100%
Indigent threshold to R5000.00	90%
More than R5000.00 to R5 500.00	80%
More than R5 500.00 to R6 000.00	70%
More than R6000.00 to R6 500.00	60%
More than R6 500.00 to R7 000.00	50%
More than R7000.00 to R7 500.00	40%
More than R7 500.00 to R8 000.00	30%
More than R8000.00 to R8 500.00	20%
More than R8 500.00 to R9000.00	10%

(f) Development incentives

Owners of undeveloped properties which are in the process of being developed shall be granted a rebate of 50% on the cent in the rand amount of the rate payable on the property, as determined by the Council from time to time, provided the following criteria are met:

(i) All applicants must complete a standard application form obtainable from the Municipality and must declare under oath that:

- * Building plans have already been submitted to the Municipality for approval but not yet approved due to a delay on the side of the Municipality; or
- * Building plans have been approved by the Municipality and construction has already started; or

* Building plans were submitted but development is not possible due to:

- Municipal services not available to commence with development (Water, electricity and sanitation, etc.);
- The fact that the Municipality has not yet approved applications for example re-zoning, township applications, etc.

(ii) Rebates will only be applicable:

- * If the standard application is approved;
- * For a 12 months period where after the applicant must re-apply.

(iii) In the event that the property is sold prior to completion of development, the new owner must inform the Municipality and re-apply accordingly.

(iv) The Municipality reserves the right to refuse or reverse any rebate if the details submitted in the application are incomplete, incorrect, or false.

(v) Unregistered erven (Township title properties) shall not be rateable until first registration takes place or a certificate of registered title has been issued by the Registrar of Deeds.

(g) All applications for indigency will be dealt with in accordance to Council's approved Indigent Policy.

(h) An owner of a property situated within an area affected by a disaster within the meaning of the Disaster Management Act 2002, (Act 57 of 2002), shall be entitled to an exemption, rebate and/or reduction in rates in respect of such affected property, as

determined or recommended by National or Provincial Government and as adopted by the Council.

- (i) On application property owned by a public benefit organisation and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act shall be granted an rebate in line with the latest promulgated rate ratio's, (1:0.25).
- (j) Owners of agricultural properties (used for bona fide farming purposes) shall be granted a rebate on the general rate that is in line with the promulgated rate ratio on properties used for agricultural purposes (1:0.25), SARS directive and Tax assessment will be main requirements.
- (k) On application properties owned by an organisation that fall under the ambit of the Non Profit Organization Act, 71 of 1997 shall be granted a rebate on the cent in the rand amount payable on the property that is equal to the rate ration of 1:0.25 as determined by Council during the annual budget process. Must provide a tax clearance and through their financials show that the profits are used to the benefit of the Organization.
- (l) On application all properties in respect of which an endorsement has been registered in the Deeds Office in terms of Section 4C of the Housing Development Scheme for Retired persons Act, 65 of 1988 or which are registered in terms of Section 18 of the Older Persons Act, 13 of 2006 as a residential facility shall be granted a rebate on the cent in the rand amount payable on the property equal to the rate ratio of 1:0.25, as determined by Council during the annual budget process.

Except for items 3(a) and (c) applications must be submitted in prescribed form (Formal ELM application) by not later than 31 August each financial year. Applications received after 31 August of a financial year will be apportioned for that financial year. Persons who have submitted false information and/or false affidavits/and or failed to inform the Municipality of

any changes or amended use benefit will be withdrawn and the Municipality may take further appropriate action.

Under no circumstances shall the aggregate of rebates and reductions for which an owner or property qualifies, exceed 75% of the rates payable in respect of such an owner/property, but for the application of the rebate and/or reduction, excluding 8.3(e).

11. OTHER EXEMPTIONS

11.1 On a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship in terms of section 17(1)(i) of the Act. The exemption is applicable also on a property registered in the name of and used primarily as a place of public worship by a religious community that do not erect buildings.

11.2 State properties that provide local service are exempted from rating for example public schools and clinics, police stations.

11.3 Municipal properties that are not leased or rented out by the municipality

12. COST TO MUNICIPALITIES DUE TO EXEMPTION, REBATES, REDUCTIONS, EXCLUSIONS, PHASING IN AND THE BENEFIT THEREOF TO MUNICIPALITIES

The cost to the municipality of having granted the relief measures (exemptions, rebates and reductions) short of qualifying such costs in Rand and Cent are reflected in the annual budget report.

The following will be the benefit of granting relief measures to the municipality:

- 12.1 Promote local economic development including attracting business investment, for example small business establishment.
- 12.2 Creation of employment for municipal residents.
- 12.3 Promotion of service delivery, for example by farmers.
- 12.4 Poverty alleviation to the indigents.
- 12.5 Social development and moral development, for example, by religious institutions, sports institutions, schools and other non governmental organisations which promote health and other benefit to the community.
- 12.6 Improved local economic growth.

The cost to the municipality of having granted the relieve measures will be reported to relevant parties as required by Legislation.

SECTION E

RATES INCREASES/DECREASE

13. CRITERIA FOR INCREASING OF RATES

The municipality will consider increasing property rates levies annually during the budget process:

- (1) The Municipality will in determining the rate levy increase take the following into consideration:
 - (a) To treat persons liable for rates equitably;

- (b) Take into account the effect of rates on the poor and include appropriate measures to alleviate the rates burden on them.
 - (c) Priorities of a municipality reflected in its Integrated Development Plan.
 - (d) The revenue needs of the municipality.
 - (e) A need for management of rates shocks.
 - (f) Affordability of rates to ratepayers.
- (2) All increases in the property rates levied will be communicated to the local community in terms of the council's IDP and Budget community participation process.

SECTION F

LIABILITY FOR RATES

14. LIABILITY FOR RATES BY PROPERTY OWNERS

14.1 Method and time of payment

Emfuleni Local Municipality will recover the rate levied in twelve equal monthly installments over the relevant financial year. The installment is payable on or before the 7th day of every month, following the month in which it has been levied or the due date as per the municipal statement, whichever is the earlier. Interest will be charged on the arrear amount due for rates payable at the interest rate determined by the Council.

14.2 Annual Payment Arrangements

Owners of rateable properties may choose to pay the annual rates in one installment on or before the 7th October of the particular financial

year. The property owner must notify the municipal manager or his/her nominee by no later than 30 June in any financial year, or such later date in the financial year as determined by the municipality, that he/she wishes to pay all rates in respect of such property for a particular financial year in one installment, after which such an owner shall be entitled to pay all rates in the subsequent financial year and all subsequent financial years annually until he/she withdraws this notice in similar manner.

Rates payable on an annual basis will be subject to a 5% discount if paid in full on or before the 7th October of the particular financial year.

14.3 Recovery of arrear rates from tenants, occupiers and agents

If an amount due for rates levied in respect of a property is unpaid after the due date, the municipality may recover the amount in whole or in part from a tenant or occupier of the property. The amount that the municipality may recover from the tenant or occupier of the property is limited to the amount of the rent or other money due and payable by the tenant or occupier to the owner of the property. Any amount which the municipality recovers from the tenant or occupier of the property must be set off, by the tenant or occupier, against any money owed by the tenant or occupier to the owner. The Municipality may only recover such rates from the tenant or occupier after it has served a written notice to this effect on the tenant/occupier.

The municipality may recover the amount due for rates from any agent of the owner after it has given written notice to that agent or person. The amount the municipality may recover from the agent or other person is limited to the amount of that rent received by the agent or person, less the commission due to that agent or person subject to the Estate Agents Affairs Act, 1976 (Act No 112 of 1976). The agent or other person must, on request by the municipality, furnish the municipality with a written statement specifying all payments for rent

on the property received by that agent or person during a period determined by the municipality.

14.4 Clearance Certificate

All monies collected, including any estimated amount for the duration of the validity period of the clearance certificate, are for the purposes of section 118 (1A) of the Municipal Systems Act, or section 89 of the Insolvency Act, 1936 (Act 24 of 1936), deemed to be due and must be paid in order to facilitate the transfer of immovable property. (See *Steve Tshwete Local Municipality v Fedbond* [2013] ZASCA 15 (20 March 2013) where the SCA ruled that clearance must be given, in case of insolvency, for 2 years preceding the date of application for clearance, not 2 years preceding date of sequestration).

14.5 Property rates payable by owners of agricultural property

If the joint property owners are not traceable with the exception of one joint owner and such joint owner is occupying or using a small portion of the entire property, the municipality will hold that joint owner liable for that portion of rates levied on the entire property that represents that joint owner's undivided share in that property.

b) Method and time of payment

- The municipality will recover rates on a monthly basis.
 - Annual rates must be paid in monthly installments to the municipality at the end of each month.
 - A municipality makes provision for the recovery of rates on a monthly basis, subject to conditions outlined in the credit control policy of the municipality.
- c) Deferral of payment of rates liabilities The municipality will consider each and every application for deferral of rates,

taking into account the merits and demerits of each and the financial implications thereof in so far as the cash-flow of the municipality is concerned.

15. RATE RATIOS

The Council may not levy different rates on residential properties except as provided for in the Act. The concept of differential rating means that the rate (cent in the rand amount) is not constant across all category of property. The residential rate will be use as the base rate and the other rates determined in relation to the residential rate, calculated on the ratios between the categories. The Council shall determine ratio's from time to time bearing in mind the prescribed ratios and statutory prescripts. The proposed rate ratios as per category of property for the 2015/2016 financial year are:

Ref no	Category	Rate Ratio
1	Residential properties	1:1
2	Undeveloped vacant residential properties	1:2
3	Business and Commercial properties	1:2
4	Undeveloped vacant business and commercial properties	1:2.5
5	Industrial properties	1:2.5
6	Undeveloped vacant industrial properties	1:3
7	Agricultural properties	1:0.25
8	Vacant agricultural properties	1:0.25
9	State-owned properties	1:2
10	Vacant State-owned properties	1:2.5
11	Protected areas	1:0
12	Municipal properties	1:1
13	Public Service Infrastructure	1:0.25
14	Public Benefit Organization Properties	1:0.25
15	Servitudes	1:0.25
16	Public monuments and memorials	1:0
17	Township title properties	1:0

18	State trust land	1:0
19	Communal land	1:0
20	Exclusive use area used for business purposes	1:2
21	Exclusive use area used for residential purposes	1:1
22	Exclusive use area used for industrial purposes	1:2.5
23	Properties used for multiple purposes	Per use
24	Place of worship and / or vicarage	1:0
25	Mining properties	1:2

16. AMOUNT DUE FOR RATES

A rate levied by the municipality on property will be an amount (cent in the Rand) on the market value of the property as determined by Council during the annual budget preparations. The amount (cent in the Rand) for the 2015/2016 financial year will be as follows:

Ref no	Category	Rate Ratio	Rate payable (Cent in the Rand)
1	Residential properties	1:1	R0.01059
2	Undeveloped vacant residential properties	1:2	R0.02118
3	Business and Commercial properties	1:2	R0.02118
4	Undeveloped vacant business and commercial properties	1:2.5	R0.02648
5	Industrial properties	1:2.5	R0.02648
6	Undeveloped vacant industrial properties	1:3	R0.03177
7	Agricultural properties	1:0.25	R0.00265
8	Vacant agricultural properties	1:0.25	R0.00265
9	State-owned properties	1:2	R0.02118
10	Vacant State-owned properties	1:2.5	R0.02648
11	Protected areas	1:0	R0.0
12	Municipal properties	1:1	R0.01059

13	Public Service Infrastructure	1:0.25	R0.00265
14	Public Benefit Organization Properties	1:0.25	R0.00265
15	Servitudes	1:0.25	R0.00265
16	Public monuments and memorials	1:0	R0.0
17	Township title properties	1:0	R0.0
18	State trust land	1:0	R0.0
19	Communal land	1:0	R0.0
20	Exclusive use area used for business purposes	1:2	R0.02118
21	Exclusive use area used for residential purposes	1:1	R0.01059
22	Exclusive use area used for industrial purposes	1:2.5	R0.02648
23	Properties used for multiple purposes	Per use	
24	Place of worship and / or vicarage	1:0	R0.0
25	Mining properties	1:2	R0.02118

17. PHASING IN OF RATES

17.1 The rates to be levied on newly rateable property shall be phased in as provided for in Section 21 of the Act.

17.2 The phasing-in discount on the properties referred to in Section 21 of the Act shall be as follows:

- First year : 75% of the relevant rate;
- Second year : 50% of the relevant rate; and
- Third year : 25% of the relevant rate

18. FREQUENCY OF VALUATIONS

The municipality will make a general valuation of all properties and prepare a valuation roll every 3 (three) years or for any other period as determined by the Council from time to time but in total not for more than 4 financial years.

19. DATE OF VALUATIONS

For the purposes of property valuation the Council determines the date of valuation as 1 July. The valuation date for the 2014/2017 general valuation roll is 1 July 2013 and the valuation roll was prepared by the designated municipal valuer and implemented 1 July 2014.

20. INSPECTION OF AND OBJECTIONS TO AN ENTRY IN THE VALUATION ROLL

- (1) Once the Council has given notice that the valuation roll is open for public inspection, any person may within the inspection period, inspect the roll during office hours and may on payment of a reasonable fee as prescribed by the Council, request the municipality during office hours to make extracts from the roll and may further lodge an objection with the Municipal Manager against any matter reflected in, or omitted from, the roll.
- (2) The Municipal Manager or an official designated by him/her must assist an objector to lodge an objection if that objector is unable to read or write.
- (3) Objections must be in relation to a specific individual property and not against the valuation roll as such;
- (4) The lodging of an objection shall not defer liability for the payment of rates beyond the date determined for payment; and

- (5) All objections received shall be dealt with in accordance with the Act.
- (6) No electronic, e-mail, facsimile or late objections will be accepted.

21. SPECIAL RATING AREAS

The municipality may by resolution of its council:

- (a) Determine an area within that municipality as a special rating area;
- (b) Levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and
- (c) Differentiate between categories of properties when levying an additional rate referred to in paragraph (b).

22. REMUNERATION OF VAB MEMBERS

Conditions of service and remuneration of chairperson and members of the Valuation Appeal Board must be in line with Gazette No. 29595 dated 8th February 2007.

23. ANNUAL REVIEW OF RATES POLICY

The municipality will annually review, and if necessary amend its rates policy taking into accounts public comments and inputs.

24. THE EFFECTIVE DATES OF THE RATES POLICY

The rates policy takes effect from the start of the municipal financial year, 1 July 2015.

ADDENDUM

LEGAL REQUIREMENTS THAT ALL MUNICIPALITIES MUST COMPLY WITH IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT, 2004 (ACT NO. 6 OF 2004) WITH REGARD TO RATES POLICY DEVELOPMENT

This addendum does not contain all provisions of the Act that must be complied with in the development of rates policy, but list just a few provisions key provisions that the municipality deems it necessary for residents/ratepayers to be aware so that they get a full picture of rating issues that will affect them.

1) IMPERMISSIBLE RATE

A municipality may not levy a rate on the following in terms of section 17(1) of the Act:

- On the first R15 000.00 of the market value of public service infrastructure.
- Any part of the seashore in terms of section (17(1)(b) of the Act.
- Any part of the territorial waters of the Republic in terms of section 17(1)(c) of the Act.
- Any island of which the state is the owner in terms of section 17(1)(d) of the Act.
- Protected areas in terms of section 17(1)(e) of the Act.
- Mineral rights in terms of section 17(1)(f) of the Act.
- Properties belonging to land reform beneficiaries in terms of section 17(1)(g) of the Act.
- On the first R15 000.00 of the market value of residential in terms of section 17(1)(h) of the Act. .
- Religious institutions in terms of section 17(1)(i) of the Act.

2) COMPULSORY PHASING IN OF CERTAIN RATES

Rates levied on a newly rateable property must be phased in over a period of three or four years depending on the ownership and use of such a property in terms of section 21 of the Act.

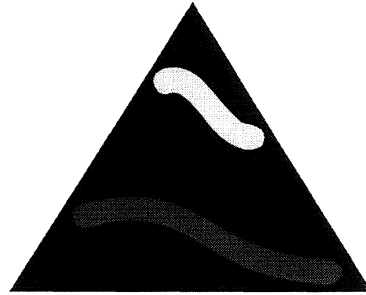
3) PRESCRIBED RATIOS

The municipality will comply with the ratios set by the Minister of Provincial and Local Government in concurrence with the Minister of Finance in terms of section 19 of the Act.

4) LIMITS ON ANNUAL INCREASES OF RATES

The municipality will comply with the notice issued by the Minister of Provincial and Local Government in concurrence with the Minister of Finance regarding the set upper limit on the percentage by which rates on properties or a rate on a specific property may be increased in terms of section 20 of the Act.

LOCAL AUTHORITY NOTICE 1008



EMFULENI
LOCAL MUNICIPALITY

Vaal River City, the Cradle of Human Rights

**TARIFF BY-LAWS TO
GIVE EFFECT TO
TARIFF POLICY**

2015/2016 FINANCIAL YEAR

TARIFF BY-LAWS

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PREAMBLE

WHEREAS Section 156(2) of the Constitution of the Republic of South Africa a municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer;

WHEREAS Section 160(6) of the Constitution of the Republic of South Africa a municipal council may make by-laws which prescribe rules and orders for-

- its internal arrangements;
- its business and proceedings; and
- the establishment, composition, procedures, powers and functions of its committees.

WHEREAS of section 74 of the Local Government: Municipal Systems Act, 2000 (No 32 of 2000), a municipality must adopt an implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements and which complies with the provisions of this Act, the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) and any other applicable legislation and.

WHEREAS section 75 of the Local Government: Municipal Systems Act, 2000 (No 32 of 2000) requires a municipal council to adopt by-laws to give effect to the implementation and enforcement of its tariff policy.

NOW THEREFORE BE IT ENACTED by the Council of Emfuleni Municipality, as follows:

1. DEFINITIONS

In this by-law, any word or expression to which a meaning has been assigned in the Constitution of the Republic of South Africa, Local Government: Municipal Systems Act, 2000 (32 Of 2000), as amended and the Local Government: Municipal Finance Management Act, (No. 56 of 2003), as amended shall bear the same meaning unless the context indicated otherwise.

“by-law” means legislation passed by the council of a municipality binding in the municipality on the persons to whom it applies;

“municipality” means the municipal council for the municipal jurisdiction area of Emfuleni Local Municipality;

“municipal council or “council” means a municipal council referred to in section 157(1) of the Constitution and

“tariff policy” means a policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements and which complies with the provisions of sections 74 of the Local Government: Municipal Systems Act, 32 of 2000, as amended and adopted and implemented by the Council of the municipality from time to time.

2. OBJECTS

The object of this by-law is to give effect to the implementation of the Tariff Policy as contemplated in section 74 of the Local Government: Municipal Systems Act, 2000 as amended.

3. ADOPTION AND IMPLEMENTATION OF TARIFF POLICY

3.1 The municipality shall adopt and implement a tariff policy consistent with the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), as amended, on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act.

4. CONTENTS OF TARIFF POLICY

The municipality's tariff policy shall inter alia:

4.1 Apply to all the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act pursuant to the adoption of the municipality's annual budget;

4.2 Comply with the requirements for:-

- 4.2.1 the adoption and contents of a tariff policy specified in section 74 of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), as amended and
- 4.2.2 Provide for principles, criteria and implementation measures consistent with the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), as amended, and the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

5. ENFORCEMENT OF TARIFF POLICY

The municipality tariff policy shall be enforced through the Credit Control and Debt Collection Policy and any further enforcement mechanisms stipulate in relevant legislation.

6. SHORT TITLE AND COMMENCEMENT

This By-Law is called the Municipal Tariff By-law, and takes effect on 1 July 2015.
