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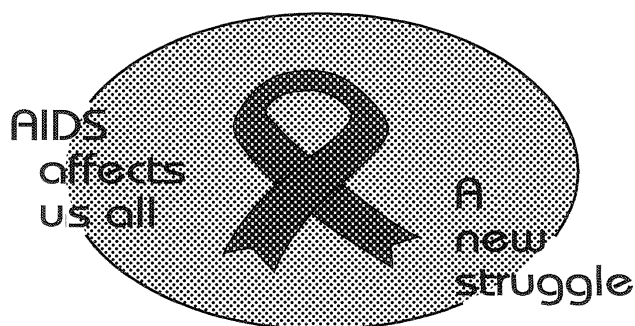
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DEPARTMENT OF HEALTH

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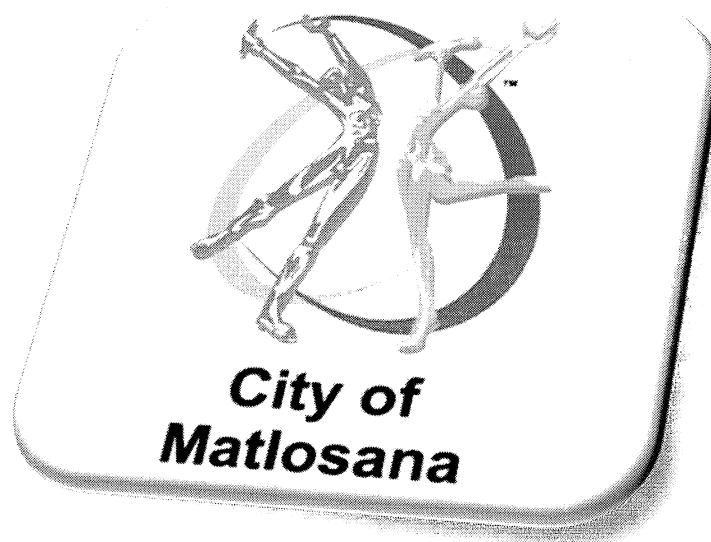
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LOCAL AUTHORITY NOTICES

LOCAL AUTHORITY NOTICE 118

THE CITY OF
MATLOSANA



TARIFF BY-LAW

PREAMBLE

- (1) In terms of the provisions of the Constitution of the Republic of South Africa, 1996 (hereinafter referred to as “the Constitution”), and section 75A(1) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as “the Systems Act”), the City of Matlosana (hereinafter referred to as “the CoM”), is entitled to levy and recover fees, charges or tariffs in respect of any function or service of the CoM.
- (2) In terms of the provisions of section 74(1) of the Systems Act and the provisions of section 62(1)(f)(i) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as “the MFMA”), the CoM has adopted a tariff policy on the levying of fees, charges or tariffs on municipal services provided by the CoM itself or by way of service delivery agreements.
- (3) This tariff policy adopted by the CoM reflects the principles referred to in terms of the provisions of section 74(2) of the Systems Act and addresses the matter referred to in terms of the provisions of section 74(3) of the same Act, as well as a schedule containing the municipal tariffs of the CoM pertaining to the municipal services as set out in the tariff policy.
- (4) The municipal tariffs as set out in the schedule of municipal tariffs annexed to the tariff policy must undergo annual revision and must be tabled together with the Multi-Year Annual Tabled Budget to the council of the CoM for consideration and approval thereof, subject to public participation and comments obtained annually before the 31st of March of each year in terms of the provisions of section 17(3)(a)(ii) read with the provisions of section 22 of the MFMA.
- (5) The adopted municipal tariffs apply to the Multi-Year Annual Budget in respect of a specific year during which the income is based on such adopted municipal tariffs, read with the general tariff principles contained in the tariff policy.
- (7) Should any of the municipal tariffs or general principles contained in the schedule setting out the municipal tariffs or tariff policy be changed by a

resolution of the CoM, an Adjustment Budget must be prepared to reflect the consequent effect of such resolution.

- (8) The CoM adopted a tariff policy and a schedule of municipal tariffs as referred to above and this by-law must be adopted by the CoM in terms of the provisions of section 75(1) of the Systems Act in order to give effect to the implementation and enforcement of the tariff policy.

THE CITY OF MATLOSANA:

TARIFF BY-LAW

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CHAPTER 1: INTRODUCTORY PROVISIONS

1. DEFINITIONS

- (1) In this by-law, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the Tariff Policy of the CoM and the provisions of section 1 of the Systems Act will have the corresponding meaning assigned thereto.

NO.	WORD/EXPRESSION	DEFINITION
“C”		
1.1.	“City of Matlosana” or “CoM”	<p>Means the CITY OF MATLOSANA a local government and legal entity with full legal capacity as contemplated in section 2 of the MSA, read with the provisions of Chapter 7 of the Constitution of the Republic of South Africa and sections 12 and 14 of the Local Government: Municipal Structures Act, Act 117 of 1998, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the MSA, Bram Fisher Street, KLERKSDORP, NORTH WEST PROVINCE and includes:</p> <ul style="list-style-type: none"> (a) its successor in title; or (b) a structural person exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act; or (c) in respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it through a service delivery agreement.

1.2.	“community services”	Means services which the CoM has classified as such, and in respect of which the tariffs have been calculated with the intention that the costs of the services cannot be recovered from public service charges, and are of a regulatory matter. .
1.3.	“council”	Means the municipal council of the CoM in which the executive and legislative authority of the CoM is vested and which is the decision making body of the CoM, its legal successors and its delegates.
“E”		
1.4.	“economic services”	Means services which the CoM has classified as such, in respect of which the tariffs have been calculated with the intention that the total costs of the services are recovered from users.
“F”		
1.5.	“fixed costs”	Means costs, which do not vary with increased or decreased consumption or volume produced.
“S”		
1.6.	“Systems Act”	Means the Local Government: Municipal Systems Act, Act 32 of 2000, as amended from time to time
“T”		
1.7.	“the policy”	Means the Tariff Policy of the CoM.
1.8.	“this by-law”	Means the Tariff By-Law of the CoM, as set out herein.
1.9.	“trading services”	Means services which the CoM has classified as such, in respect of which the tariffs have been calculated with the intention that the CoM makes a profit on the delivery of the services.
1.10.	“two-part tariffs”	Means tariffs which are determined to cover the fixed and variable costs of a service respectively,

		where the fixed costs are calculated by dividing the total amount of fixed costs of the service by the number of customers per category, and the variable costs are calculated by dividing the total amount of variable costs by the volume consumed.
“V”		
1.11.	“variable costs”	Means costs which vary with increased or decreased consumption or volume produced.

2. THE TARIFF POLICY ADOPTED BY THE COM

- (1) The CoM has prepared and adopted a Tariff Policy as contemplated in terms of the provisions of section 74(1) of the Systems Act.
- (2) In the event of any contradiction and/or inconsistency between the provisions of the policy and this by-law, the provisions of this by law shall prevail.

3. OBJECTIVE OF THIS BY-LAW

The objective of this by-law is to give effect to the CoM's Tariff Policy, its implementation and enforcement as required and in terms of the provisions of section 75(1) of the Systems Act. Without repeating the contents of the policy, the contents of the policy are hereby incorporated into this by-law and assigned the status of a by-law in as far as it is required for its implementation and enforcement.

4. TITLE AND APPLICATION OF THIS BY-LAW

- (1) This by-law is known as the Tariff By-Law of the City of Matlosana.
- (2) This by-law revokes all previous by-laws, decisions and/or *ad hoc* clauses within any other by-law regarding the subject matter of this by-law.

5. COMMENCEMENT AND VALIDITY

This by-law shall come into full force and effective upon promulgation in the Provincial Gazette, which will be in the first week of August 2012.

6. RESPONSIBLE AUTHORITY

The responsible authority for the adoption, publication and implementation of this by-law is the CoM, and where applicable the council of the CoM.

CHAPTER 2: CLASSIFICATIONS AND GENERAL PROVISIONS

7. GENERAL PROVISIONS FOR THE LEVYING OF TARIFFS

- (1) Tariffs levied by the CoM for the provisions of services must be directly in proportion to the quantity of the service used or consumed by the user concerned, but subject always to a prescribed and fixed minimum availability tariff for the provisions of the service concerned and applicable to each category of property as provided in the Rates Policy of the CoM
- (2) The income of a user of services is irrelevant and will not be considered by the CoM in the allocation of tariffs as the allocation of tariffs do not constitute a tax, but correspond directly to the use and/or availability of the service to which such tariff relate. Affordability of the tariff will be dealt with by the CoM on an individual basis and in terms of the Customer Care, Credit Control and Debt Collection and/or Rates Policy of the CoM.
- (3) The CoM may, in the levying of tariffs, generate and maintain a minimum monetary operating surplus of 10%, but which may not exceed a limit that results in the cost of a service to become unaffordable to the users thereof.
- (4) In necessary and justifiable circumstances the CoM may levy a surcharge on a tariff in order to provide for breakdowns in service infrastructure and/or intervals which require a restriction on the use or consumption of a specific service.
- (5) The CoM may, in order to discourage exorbitant use or consumption of services, impose a penalty on users for unreasonably high use or

consumption of services, or other measures in order to achieve the same result.

- (6) The extent and source of all subsidisations in respect of services as well as the true cost of the service must be disclosed by the CoM and contained in its annual budget, annual financial statements and annual report.

8. DIFFERENT CATEGORIES AND GENERAL PRINCIPLES

- (1) Section 75(2) of the Systems Act allows for the differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas as long as the differentiation does not amount to unfair discrimination.
- (2) The CoM differentiates between the following categories for the purposes of levying tariffs:
- (a) Domestic;
 - (b) Commercial/Business;
 - (c) Industrial;
 - (d) Agricultural;
 - (e) Institutional; and
 - (f) Rural.
- (3) The CoM differentiates between the following services for the levying of tariffs:
- (a) Trading Services:
 - (i) Electricity; and
 - (ii) Water;
 - (b) Economic Services:
 - (i) Refuse removal;
 - (ii) Sewerage; and
 - (iii) Recreation resorts;
 - (c) Community Services:

- (i) Air Pollution;
- (ii) Building control;
- (iii) Cemeteries;
- (iv) Child care facilities;
- (v) Control of public nuisances;
- (vi) Control of undertakings that sell liquor to the public;
- (vii) Fencing and fences;
- (viii) Fire fighting and emergency assistance;
- (ix) Fixed billboards and the display of advertisements in public places;
- (x) Licensing and control of undertakings that sell food to the public;
- (xi) Licensing of dogs;
- (xii) Local amenities;
- (xiii) Local sport facilities;
- (xiv) Local tourism;
- (xv) Local economic development;
- (xvi) Municipal parks and recreation;
- (xvii) Municipal planning;
- (xviii) Municipal public works, only in respect of the needs of the municipality in the discharge of their responsibilities and to administer functions specially assigned to them under the Constitution or any other law;
- (xix) Municipal roads;
- (xx) Noise pollution;
- (xxi) Parking;
- (xxii) Pest control;
- (xxiii) Pounds;

- (xxiv) Public places;
 - (xxv) Storm water management system in built-up areas;
 - (xxvi) Street lighting;
 - (xxvii) Street trading;
 - (xxviii) Trading regulations; and
 - (xxix) Traffic;
- (d) Subsidized Services:
- (i) Libraries;
 - (ii) Primary health care; and
 - (iii) Proclaimed roads.
- (4) The CoM differentiates between the following cost elements for the levying of tariffs:
- (a) Fixed costs that consist of the capital cost (depreciation on assets and capital redemption on external loans only) and any other costs of a permanent nature as determined by the council from time to time.
 - (b) Variable costs, which includes all other expenditure that has reference to the services; and
 - (c) Total cost is equal to the fixed costs plus variable cost.
- (5) The CoM differentiates between different types of tariffs applicable to each type of service as referred to and set out in the schedule of municipal tariffs, and the following options, or a combination thereof, will be used to determine the type of tariff applicable to the type of service:
- (a) Single tariff: this tariff shall consist of a fixed cost per unit consumed. All costs will be recovered through unit charges at a break-even level of consumption. A surplus on trading services may only be allowed with the approval of council;
 - (b) Cost related two-part tariff: this tariff consists of management, capital, maintenance and operating costs which are grouped together and recovered by a fixed charge irrespective of the consumption

thereof by any class of consumer , and a variable cost which is recovered by a unit charge, per unit consumed;

- (c) Inclining block tariff: this tariff is based on consumption levels being categorised into blocks, which tariff increases in accordance with the increase of consumption levels. This tariff is utilised in order to prevent exorbitant use of a commodity. The first portion of the tariff will be calculated at the break-even level, and subsequent portions thereof will be calculated in order to discourage excessive use of the commodity and to turn a profit;
 - (d) Declining block tariff: this tariff decreases as consumption levels increase, which tariff will only be implemented in the existence of special agreements;
 - (e) Availability charges: this tariff applies to property which has not been connected to the infrastructure of the CoM, and once such connection has been provided by the CoM, the normal tariffs in respect of any service is payable;
 - (f) Outside municipal area: these tariffs to users who do reside within the municipal area of the CoM, but make use of certain services of the CoM on application; and
 - (g) Recoverable work: this tariff applies to customers who make use, on application, of certain recoverable services. This tariff is calculated at actual cost plus a surcharge as determined with the actual tariff;
- (6) The CoM will further levy tariffs in accordance with different units of measurement as set out in the tariff policy and for the following different categories:
- (a) Water;
 - (b) Electricity;
 - (c) Refuse removal;
 - (d) Sewerage;
 - (e) Property rates; and
 - (f) Social benefits.

9. DETERMINATION, NOTICE OF TARIFFS, FEES, LEVIES AND OBJECTIONS

- (1) The CoM may-
- (a) by way of resolution, supported by a majority of the members of council, levy and recover levies, fees, taxes, and tariffs in respect of any function or service of the CoM;
 - (b) by resolution, amend or withdraw any determination made in respect of the levying and recovering of levies, fees, taxes and tariffs, and may determine a date not earlier than 30 (thirty) days from the date of the resolution contemplated in paragraph (a) above, on which date the amendment, determination or withdrawal shall come into operation; and
 - (c) recover any charges so determined or amended, including interest on any outstanding amounts.
- (2) After a resolution contemplated in paragraph (b) above has been passed, the municipal manager of the CoM must forthwith conspicuously display a notice at such place at the offices of the CoM specifically utilised for such purpose, as well as any other places within the municipal area of the CoM as may be determined by the municipal manager, which notice must state–
- (a) the general purpose of the resolution;
 - (b) the date upon which the determination, amendment or withdrawal shall come into operation;
 - (c) the date upon which the notice is displayed for the first time; and
 - (d) that any person desirous to object to such determination, amendment or withdrawal, must do so in writing and within 14 (fourteen) days after the date upon which the notice is displayed for the first time.
- (3) Where-
- (a) no objection has been lodged within the 14 (fourteen) day period as contemplated in sub-section (2)(d) above, the determination,

amendment or withdrawal shall come into operation as contemplated in sub-section (1)(b) above; and

- (b) an objection has been lodged within the 14 (fourteen) day period as contemplated in sub-section (2)(d) above, the CoM must consider every objection and may amend or withdrawal and determination, amendment or withdrawal may, and may determine a further date upon which the determination, amendment or withdrawal shall come into operation, where after sub section (2) shall *mutatis mutandis* apply.

10. PHASING IN OF TARIFFS, FEES AND LEVIES

- (1) The CoM must annually consider the methods in terms of which tariffs, fees and levies will be calculated and accordingly amend its tariff policy by resolution.
- (2) Where the newly calculated tariffs, fees and levies substantially differ from the current tariffs the CoM may resolve to phase in such differences over a period of time.

LOCAL AUTHORITY NOTICE 119

**THE CITY OF
MATLOSANA**



**CUSTOMER CARE &
MANAGEMENT, CREDIT CONTROL
& DEBT COLLECTION BY-LAW**

PREAMBLE

- (1) In order to comply with and execute the provisions of sections 95, 96 and 97 of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as “the Systems Act”), the City of Matlosana (hereinafter referred to as “the CoM”) has adopted a Customer Care, Credit Control & Debt Collection Policy.
- (2) In terms of the provisions of section 98 of the Systems Act the CoM must adopt a by-law in order to give effect to the implementation and enforcement of the Customer Care, Credit Control & Debt Collection Policy of the CoM.
- (3) Therefore this by-law is adopted in order to give effect to the implementation and enforcement of the Customer Care, Credit Control & Debt Collection Policy adopted by the CoM and to provide for ancillary matters and procedures related to credit control and debt collection.

THE CITY OF MATLOSANA:

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION BY-LAW

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CHAPTER 1: INTRODUCTORY PROVISIONS

1. DEFINITIONS

- (1) In this by-law, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the provisions of section 1 of the Systems Act will have the corresponding meaning assigned thereto.

NO.	WORD/EXPRESSION	DEFINITION
“A”		
1.1.	“account”	<p>Means the account furnished to a customer by the CoM subsequent to the conclusion of a service agreement and/or once the customer becomes liable for the payment of property rates, and which reflects the amount due to the CoM by such customer in respect of:</p> <ul style="list-style-type: none"> (a) electricity consumption or availability fees based on a meter reading or estimated consumption; (b) water consumption or availability fees based on a meter reading or estimated consumption; (c) refuse removal and disposal; (d) sewerage services and sewer availability fees; (e) rates; (f) interest; and (g) miscellaneous and sundry fees and collection charges.
1.2.	“agreement” or “services agreement”	<p>Means a written document containing the terms and conditions as well as the rights and obligations of the CoM and the customers within its municipal area in respect of the provision of services by the CoM and the payment therefore by the customer</p>

		concerned.
“C”		
1.3.	“City of Matlosana” or “CoM”	<p>Means the CITY OF MATLOSANA a local government and legal entity with full legal capacity as contemplated in section 2 of the MSA, read with the provisions of Chapter 7 of the Constitution of the Republic of South Africa and sections 12 and 14 of the Local Government: Municipal Structures Act, Act 117 of 1998, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the MSA, Bram Fisher Street, KLERKSDORP, NORTH WEST PROVINCE and includes:</p> <ul style="list-style-type: none"> (a) its successor in title; or (b) a structural person exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act; or (c) in respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it through a service delivery agreement.
1.4.	“collection charges”	<p>Means charges which may be recovered by the CoM in terms of the provisions of section 75A of the System Act, and includes the cost–</p> <ul style="list-style-type: none"> (a) of reminding customers of arrears; (b) for the termination, restriction and reinstatement of municipal services; (c) of any notice rendered, sent or delivered in terms of this by-law; and (d) all legal costs, including attorney and client costs, incurred in the recovery of arrear amounts.

1.5.	“council”	Means the municipal council of the CoM in which the executive and legislative authority of the CoM is vested and which is the decision making body of the CoM, its legal successors and its delegates.
1.6.	“customer”	Means a person or entity liable to the CoM for the payment of property rates and/or tariffs, levies and fees for municipal services and may include an owner of property or an occupier of property and includes a debtor.
“D”		
1.7.	“due date”	Means the date upon which monies are to be paid to the CoM in respect of an account.
“M”		
1.8.	“municipal manager”	Means the municipal manager of the CoM, appointed in terms of the provisions of section 54A of the Structures Act, and refers to the definition of “accounting officer” as defined in terms of the provisions of section 1 of the MFMA and also referred to in section 60 of the MFMA, and includes a person acting as an accounting officer, or the person to whom the accounting officer has delegated his/her authority to act.
1.9.	“municipal services” or “services”	Means any and all of the services provided by the CoM to the community, customers, property in respect of: (i) The provision of water and the availability thereof; (ii) refuse removal and disposal; (iii) sewerage and the availability thereof; and (iv) electricity consumption and the availability thereof.

“P”		
1.10.	“property”	Means any portion of land, of which the boundaries are determined, within the jurisdiction of the CoM to which municipal services are rendered and/or regarding which the CoM is entitled to levy any rates, fees and/or tariffs.
“S”		
1.11.	“Systems Act”	Means the Local Government: Municipal Systems Act, Act 32 of 2000, as amended from time to time
“T”		
1.12.	“the policy”	Means the Customer Care, Credit Control and Debt Collection Policy of the CoM.
1.13.	“this by-law”	Means the Customer Care, Credit Control and Debt Collection By-Law of the CoM, as set out herein.

2. THE CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY ADOPTED BY THE COM

- (1) The CoM has prepared and adopted a Customer Care, Credit Control and Debt Collection Policy as contemplated in terms of the provisions of section 96(b) of the Systems Act.
- (2) In the event of any contradiction and/or inconsistency between the provisions of the policy and this by-law, the provisions of this by law shall prevail.

3. OBJECTIVE OF THIS BY-LAW

The objective of this by-law is to give effect to the CoM's Customer Care, Credit Control and Debt Collection Policy, its implementation and enforcement as required and in terms of the provisions of section 98(1) of the Systems Act. Without repeating the contents of the policy, the contents of the policy are hereby incorporated into this

by-law and assigned the status of a by-law in as far as it is required for its implementation and enforcement.

4. TITLE AND APPLICATION OF THIS BY-LAW

- (1) This by-law is known as the Customer Care, Credit Control and Debt Collection By-Law of the City of Matlosana.
- (2) This by-law revokes all previous by-laws, decisions and/or *ad hoc* clauses within any other by-law regarding the subject matter of this by-law.

5. COMMENCEMENT AND VALIDITY

This by-law shall come into full force and effective upon promulgation in the Provincial Gazette, which will be in the first week of August 2012.

6. RESPONSIBLE AUTHORITY

The responsible authority for the adoption, publication and implementation of this by-law is the CoM, and where applicable the council of the CoM.

CHAPTER 2: CUSTOMER CARE

7. CUSTOMER CARE OBJECTIVES

The objectives of customer care is to focus on the needs of the customer in a responsible and pro-active way, to enhance the payment for services and to create a positive and cooperative relationship between the customer and the CoM or where applicable a service provider.

8. METERING

- (1) Within the administrative and financial ability of the CoM, the CoM will endeavour to read all meters reflecting the consumption of electricity and water on a monthly basis.

- (2) Customers are entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof and remain liable for the payment of accounts as set out in the provisions of section 12(3) below, notwithstanding the verification process.

9. ACCOUNTS AND BILLING

- (1) Accounts must be rendered and administered in accordance with the policy, other prescribed requirements and any other applicable law.
- (2) Failure by the CoM to render an account does not relieve a customer of the obligation to pay any amount that is due and payable in terms of this by-law.
- (3) The CoM may, in accordance with the provisions of section 102 of the Systems Act–
- (a) consolidate any separate accounts of a customer liable for payments in terms of this by-law to the CoM;
 - (b) credit any payment by such customer against any account of that customer; and
 - (c) implement any of the debt collection and credit control measures provided for in the policy and/or this by-law in respect of any arrears on any of the accounts of a customer.
- (4) The total amount 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 debt in the order prescribed.
- (5) The CoM may appropriate any payment received from a customer towards the payment of any debt in its sole discretion.
- (6) (a) Any amount paid by a customer in excess of an existing debt may be held in credit for the customer in anticipation of future rates and fees for municipal services.
- (b) No interest is payable to the customer on any amount contemplated in paragraph (a).

10. PAYMENT FACILITIES AND METHODS

The CoM will operate and maintain suitable payment facilities accessible to customers and customers may utilise the payment facilities and methods provided in the policy.

11. INCENTIVES AND PROMPT PAYMENT

The CoM will afford the customer the incentives for prompt payment as provided in the policy.

12. ENQUIRIES, DISPUTES AND SERVICE COMPLAINTS

- (1) The CoM will, within its administrative and financial ability, establish:
 - (a) a central office to deal with and address enquiries, disputes and/or service complaints received from customers;
 - (b) a centralized database dealing with enquiries, disputes and/or service complaints received from customers, in order to effectively address such enquiries, disputes and/or service complaints;
 - (c) appropriate training for employees of the CoM dealing with the public to enhance communications and service delivery; and
 - (d) a communication mechanism to provide feedback on the application of the policies on customer care and management, credit control and debt collection or other issues of concern to the municipal manager, executive mayor and/or council.
- (2) If a customer is convinced that his or her account is inaccurate, he or she may lodge a query or a section 102(2) dispute, in terms of the Systems Act, with the CoM for investigation of such account, and where necessary the relevant corrections will be effected.
- (3) In the interim, whilst the CoM is addressing a query or dealing with the section 102(2) dispute, the customer remains liable to pay to the CoM the average of the last 3 (three) months accounts where the history of the customer's account is available. Where no such history is available, the customer remains liable for the payment of an estimated amount as

prescribed by the CoM, the payment for which the customer will be liable until the matter has been resolved, at which time the account will be adjusted to reflect the actual usage instead of such estimate.

- (4) A query raised by a customer must be raised and addressed by the CoM as follows:
- (a) the customer must address the query in writing to the office of the chief financial officer of the CoM;
 - (b) the office of the chief financial officer will refer such query to the responsible directorate suitable to address the query;
 - (c) the directorate to which a query has been referred must investigate such query and report the outcome thereof in writing to the office of the chief financial officer; and
 - (d) the office of the chief financial officer will communicate the outcome of the investigations to the customer and effect the necessary adjustments to the account of such customer, if required.
- (5) Any dispute declared by a customer in terms of the provisions of section 102(2) of the Systems Act, must be declared and dealt with as follows:
- (a) a customer who wishes to declare a dispute in terms of the provisions of section 102(2) of the Systems Act, must declare such dispute in writing to the office of the municipal manager of the CoM and the written declaration of the dispute must contain and set out the following:
 - (i) the account number to which the dispute relates;
 - (ii) the specific amount(s) to which the dispute relates;
 - (iii) a detailed description of the dispute and the grounds upon which and the reasons why the dispute is being declared;
 - (iv) the redress requested by the customer;
 - (v) the signature of the customer who/which is the account holder of the account to which the dispute relates, or if the dispute is being declared by a person other than the holder of the account to which the dispute relates, a power of

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

- (b) a customer who declares a dispute will only be entitled to the protection afforded to the customer in terms of the provisions of section 102(2) of the Systems Act, if the dispute is declared as provided in terms of sub-section (a) above;
- (c) the office of the municipal manager will refer the dispute to the office of the director: corporate services, who will investigate the dispute and make a finding on the outcome thereof as to the redress, if any, to be afforded to the customer who declared the dispute;
- (d) the office of the director: corporate services must communicate the finding to the office of the municipal manager, who in turn must communicate the finding of the director: corporate services to the customer who declared the dispute;
- (e) an appeal against the finding of the director: corporate services may be lodged by the customer who declared the dispute in accordance with the provisions therefore in sub-paragraph (f) below;
- (f) an appeal lodged against the finding of the director: corporate services on a dispute declared by a customer, must:
 - (i) be lodged in writing to the office of the municipal manager and comply *mutatis mutandis* to the provisions of sub-paragraph (a) above;
 - (ii) be lodged within a period of 7 (seven) days after the date on which the finding was dispatched to the customer by the office of the municipal manager; and
 - (iii) be decided on by the municipal manager of the CoM, who may be assisted by an attorney of the Panel of Attorneys of the CoM, who must decide the outcome of the appeal and communicate the decision on the outcome of the appeal to the customer who lodged the appeal;

- (g) the decision made by the municipal manager on the appeal lodged by the customer who declared the dispute against the finding of the director: corporate services, will be final and binding on the parties and constitutes the disposal and end of the declared dispute;
 - (h) where a dispute has been declared and such dispute has been dealt with as set out in sub-paragraphs (a) to (g) above, the subject matter of such a dispute is disposed of and the customer who declared the dispute may not declare a further dispute on the subject matter, or any part thereof.
- (6) The declaring of a dispute as contemplated in sub-section (5) above, does not excuse the customer from paying the amount due in terms of the account, or suspends the liability of the customer to make payments to the CoM of any amounts disputed. If the finding of the director: corporate services, or the municipal manager in the event of an appeal, indicate that an adjustment of the account is warranted, the customer will receive a credit on the account of such customer, if applicable.

13. CUSTOMER ASSISTANCE PROGRAMMES

The CoM will implement the customer assistance programmes provided in the policy.

14. CATEGORIES OF DEBTORS

The CoM elected to differentiate between different categories of debtors and to further apply different criteria for the payment of arrears as set out in the policy, which provisions of the policy are by means of this by-law incorporated herein.

15. ESTIMATED CONSUMPTION

- (1) The CoM may have an estimate made of the consumption of water or electricity for any relevant period and render an account to the customer on this basis, if–
 - (a) no meter reading could be obtained in respect of the period concerned; or

- (b) no meter has been installed to measure the consumption on the premises concerned;
 - (c) the meter was defective or not functioning properly or at all;
- and the customer concerned is liable for payment in respect of such estimated consumption.
- (2) If the CoM is able to establish the true consumption of water and/or electricity subsequent to an estimate having been made in terms of sub section (1) above, the CoM will adjust the account to reflect such true consumption.
 - (3) In as far as possible the CoM should endeavour to make the estimate by taking into account data pertaining to the consumption of the property concerned, or where no such data is available or reliable, take into account data in respect of related property(ies).

CHAPTER 3: CREDIT CONTROL AND DEBT COLLECTION

16. CREDIT CONTROL AND DEBT COLLECTION OBJECTIVE

The objective of credit control is to collect payment from ratepayers, customers and customers for municipal services rendered to customers and the objective of debt collection is to collect such payment in a sustainable manner and to provide for measures to assist the CoM therein.

17. CREDIT CONTROL PRINCIPLES

Credit control and debt collection will be implemented and executed by the CoM in accordance with the provisions and principles provided in the policy.

18. SERVICE APPLICATION AND AGREEMENTS

- (1) All customers must complete and sign an official application form, formally requesting the CoM to provide municipal services to such customers. The most important rights and obligations of the customer and the CoM must be

- included in the service application form as well as the terms and conditions upon which the CoM will provide the municipal services to the customer, and no municipal services will be rendered by the CoM to a customer if the application form is not duly completed and signed and approved by the CoM.
- (2) Upon the approval of an application by the CoM, the official application form will constitute a service agreement between the customer and the CoM, which service agreement sets out the terms and conditions upon which the CoM will provide the municipal services to such customer. The municipal manager may from time to time direct that a new agreement be concluded. The credit-worthiness and other information which the CoM deems necessary in order to approve an application may be obtained and confirmed by the CoM.
 - (3) A copy of the application form, conditions of services and extracts of the policy and this by-law, must be handed to every customer upon request.
 - (4) All customers shall pay a deposit as determined from time to time by council of the CoM, which deposit may be increased to 3 (three) times the monthly consumption of the property by the municipal manager or his designated official in the event of non-payment.
 - (5) Customers are responsible for costs of collection and interest in the event of delayed and/or non-payment.
 - (6) Existing customers of services may be required to sign new agreements as determined by the municipal manager from time to time.
 - (7) If a customer fails or refuses to sign a new service agreement or pay the deposit as stipulated by CoM, the CoM may discontinue services until the necessary agreement has been signed or deposit been paid.
 - (8) The customer will also be held accountable for services already provided, costs incurred and any other costs associated with the collection of service fees and costs incurred.
 - (9) All applicants for municipal services may be checked for credit-worthiness including checking information from banks, credit bureaux, other local authorities, trade creditors and employers.

- (10) A customer may terminate an agreement for the provision of any municipal service by notice in writing of not less than seven days' to the CoM, of his or her intention to do so.
- (11) The CoM may, subject to compliance with the provisions of this by-law and any other applicable law, by notice in writing of not less than 14 (fourteen) days, to a customer, terminate his or her agreement for the provision of the municipal service concerned, if the customer-
- (a) has not used the municipal service during the preceding 6 (six) months and has not made arrangements to the satisfaction of the CoM for the continuation of the agreement; or
 - (b) has, in relation to the municipal service concerned, failed to comply with any provision of this by-law and has failed to rectify such failure; or
 - (c) has failed to pay any prescribed fee, collection charge or interest due and payable in respect of the municipal service concerned; or
 - (d) has made an arrangement with another services provider to provide the municipal service concerned to the customer; or
 - (e) has vacated the premises to which the agreement concerned relates.
 - (f) a customer to whom notice has been given in terms of this subsection, may within the period of 14 (fourteen) days referred to in that subsection, make written representations to the CoM why the agreement concerned should not be terminated and if such representations are unsuccessful, either wholly or in part, the agreement concerned may only be terminated if the decision on such representation justifies it.

19. RIGHT OF ACCESS TO PREMISES

The CoM may exercise its right of access to premises in terms of the provisions of section 101 of the Systems Act through the municipal manager or any authorised official or duly appointed agent of the CoM.

20. ENFORCEMENT MECHANISMS

- (1) A customer must make payment to the CoM of the amount reflected on the account of the customer as being the amount due and payable by the customer to the CoM, failing which the CoM is entitled to employ the debt collection measures provided for in the policy, this by-law or any other applicable legislation.
- (2) The CoM may, in addition to any civil legal procedures to secure payment, which procedures are not classified or to be considered as “debt collection and credit control measures” as referred to in section 102(1)(c) of the Systems Act, of any in arrear amount of accounts, take the following action to secure payment of such amount:
 - (a) the termination or restriction of the provision of any municipal service to the property concerned; and/or
 - (b) the allocation of the whole or a portion of a payment of an account, or the whole or a portion of a pre-payment for future accounts, as payment for arrear municipal service fees or rates.
- (3) The CoM may terminate, suspend, restrict or disconnect the provision of water or electricity, or both, to any property if the customer in respect of the municipal service concerned—
 - (a) fails to make full payment of any account or arrears specified in an account;
 - (b) fails to enter into an agreement for the payment of arrears before the termination, suspension, restriction or disconnection of the service concerned; or
 - (c) fails to pay any instalment payable in terms of an agreement referred to in paragraph (b) above before or on the due date;
 - (d) fails to comply with any condition of provision in respect of electricity or water, as the case may be, imposed by the CoM;
 - (e) obstructs the efficient provision of electricity or water to another customer;

- (f) provides electricity or water to a person who is not entitled thereto or permits such provision to continue;
 - (g) causes a situation relating to electricity or water which, in the opinion of the CoM, is dangerous or constitutes a contravention of any applicable law;
 - (h) in any way reinstates the provision of a previously terminated, suspended, restricted or disconnected electricity or water service;
 - (i) is placed under provisional sequestration, liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act, Act 24 of 1936, or is subject to an administration order granted in terms of the provisions of section 74 of the Magistrates Court Act, Act 32 of 1944, and there is a failure to enter into a new service agreement within 14 (fourteen) days of the CoM requiring such service agreement; or
 - (j) contravenes any provisions of the policy or this by-law in any manner whatsoever.
- (4) The CoM must reinstate full levels of provision of any electricity or water service terminated or restricted after–
- (a) the full amount of arrears, including interest and collection charges, if any, have been paid; or
 - (b) an agreement for the payment of arrears has been entered into; or
 - (c) the full amount of arrears in respect of any agreement, including interest and collection charges if any, and any increase deposit, have been paid, or any additional security required has been provided, and any other condition of the policy which the CoM may consider appropriate, has been complied with.
- (5) The cost of the termination, suspension, restriction or disconnection, and the reconnection thereof, will be determined by tariffs approved by the CoM and will be payable by the customer.

21. THEFT AND FRAUD

- (1) Any person found to be illegally connected or reconnected to municipal services, tampering with meters, the reticulation network or any other supply equipment or committing any unauthorised act associated with the supply of municipal services, as well as theft of and damage to the property of the CoM, will be guilty of an offence and liable to criminal prosecution.
- (2) The CoM will immediately terminate the supply of services to a customer should such conduct as referred to in sub-section (1) above, be detected at the property of the customer or the property occupied by the customer.
- (3) The total account owing, including interest and collection fees, assessment of unauthorised consumption, discontinuation and reconnection fees, and increased deposits as determined by the CoM, will be due and payable before any reconnection can be sanctioned.

22. DEBT COLLECTION PROCESS AND PROCEDURES

Debt collection processes and procedures including the application of debt collection measures will be executed and implemented in accordance with the provisions of the policy.

23. RATES CLEARANCE CERTIFICATES

A rates clearance certificate as referred to in terms of the provisions of section 118 of the Systems Act, will be issued by the CoM in accordance with the provisions of the policy relating thereto and the provisions of section 118 of the Systems Act.

24. DEBT COLLECTION COSTS

A prescribed collection charge may be levied against the account of a customer, in respect of any relevant action taken in terms of, or for the purposes of the policy or this by-law and the customer will be liable for any and all legal fees and costs for the collection of any arrears when such an account is handed over to debt collectors or attorneys for the collection of arrears.

25. PRE-PAID METER SYSTEM

The pre-paid meter system of the CoM will be operated and implemented in terms of the provisions of the policy relating thereto.

CHAPTER 4: MISCELLANEOUS, ENFORCEMENT AND CRIMINAL OFFENCE

26. PRIMA FACIE EVIDENCE OF DOCUMENTATION

For the purposes of the recovery of any amount due and payable to the CoM in terms of the policy or this by-law–

- (a) a copy of any relevant account; and
- (b) an extract from the CoM's records relating to the quantity of consumption or provision of any municipal service and the period of provision of such service,

certified by an authorised official as being correct, constitute prima facie evidence of the information contained in such documents.

27. PRESERVATION OF RIGHTS CONSEQUENT TO NON-COMPLIANCE

A failure by the CoM to comply with any provision of the policy or this by-law does not in any way affect the liability of any person to pay any amount due and payable to the CoM as contemplated in the policy or this by-law, nor the right of the CoM to recover such amount.

28. OFFENCES

Any person who-

- (a) obstructs or hinders any councillor, official or employee of the CoM in the execution of his/her duties in terms of the policy or this by-law;
- (b) unlawfully uses or interferes with the CoM's equipment or consumption of services supplied;

- (c) tampers with any equipment of the CoM or breaks any seal on a meter;
- (d) contravenes or fails to comply with the provisions of the policy or this by-law;
- (e) fails to comply with a notice served in terms of the policy or this by-law; or
- (f) executes any of the actions referred to in section 21(1) of this by-law;

is guilty of an offence and liable on conviction to a penalty and/or criminal prosecution.

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