

# Western Cape Government • Wes-Kaapse Regering • URhulumente weNtshona Koloni

PROVINCE OF THE WESTERN CAPE

PROVINSIE WES-KAAP

# Provincial Gazette Extraordinary

Buitengewone Provinsiale Koerant

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# **MOSSEL BAY MUNICIPALITY**

# PROMULGATION OF PROPERTY RATES FOR THE 2018/2019 FINANCIAL YEAR

Notice is herewith given in terms of section 14(2) of the Local Government: Municipal Property Rates Act (Act 6 of 2004) that the Municipal Council on 31 May 2018 (Resolution E85-05/2018) adopted the following tariffs in respect of property rates:

# All Areas

Industrial	R0.005956
<ul> <li>Business &amp; Commercial (Including farm business)</li> <li>Accommodation Establishments (5 - 7 rental units)</li> <li>Accommodation Establishments (8 - 11 rental units)</li> <li>Accommodation Establishments (12 or more rental units)</li> <li>Farm Business</li> </ul>	R0.005956 30% discount 15% discount 0% discount 30% discount
Public Service Infrastructure property Public Service Infrastructure Impermissible property (80% phasing out as per Sect 93A of MPRA)	R0.000744 R0.000744
Residential (Including Flats and Group Housing)  • Vleesbaai Residential (Accommodation Establishments (1 - 4 rental units))	R0.002978 25% discount R0.002978
Agricultural (Excluding land used for business or accommodation purposes)	R0.000744
Public Benefit Organisations	R0.000744
Vacant Land:  • Business • Residential  Public Service Properties (State owned properties)	R0.006551 R0.003574 R0.000744
Special Rating Area Mossel Bay Central Improvement District:	
Commercial Property Residential Property (Please note that the tariff for the special rating areas are inclusive of VAT)	R0.001080 R0.000540
Municipal Property Churches Parsonages Protected areas	100% rebate 100% Exempted 100% Exempted 100% Exempted

The first R50 000 of the valuation of Residential properties are exempted from the levying of rates.

#### Discount to Pensioners

Pensioners qualify for the under mentioned discounts of property rates if they comply with the following conditions:

- a) Occupy the property as his/her Primary Residence, and
- b) Be at least 60 years of age
- c) Has been declared medical unfit even if not yet 60 years of age, and
- d) Be in receipt of a gross household income not exceeding the amount determined by Council during the Municipality's budget process.

#### Discount to Pensioners

a) Total gross income of husband and wife may not exceed R20 800 per month (R249 600 per annum)

30% discount

b) Total income of husband and wife may not exceed R15 600 per month. (R187 200 per annum)

50% discount

# All Rates tariffs are ZERO RATED for VAT purposes)

In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

# **MOSSELBAAI MUNISIPALITEIT**

# PROMULGERING VAN EIENDOMSBELASTING VIR DIE 2017/2018 FINANSIËLE JAAR

Kennis geskied hiermee ingevolge artikel 14(2) van die Wet op Plaaslike Regering: Munisipale Eiendomsbelasting (Wet 6 van 2004) dat die Munisipale Raad op 31 Mei 2018 (Raadsbesluit E85-05/2018) die volgende tariewe ten opsigte van eiendomsbelasting aanvaar het:

# Alle Gebiede:

Industriële	R0.005956
<ul> <li>Besigheid en Kommersieel (Insluitend Landbou besighede)</li> <li>Akkommodasie Instellings (5 – 7 huur eenhede)</li> <li>Akkommodasie Instellings (8 – 11huur eenhede)</li> <li>Akkommodasie Instellings (12 en meer huur eenhede)</li> <li>Landbou besighede</li> </ul>	R0.005956 30% Afslag 15% Afslag 0% Afslag 30% Afslag
Publieke Diens Infrastruktuur eiendom Publieke Diens Infrastruktuur ontoelaatbare eiendom (80% uitfasering Ingevolge Artikel 93A van die Eiendomsbelastingwet)	R0.000744 R0.000744
ingevolge Artikel 93A van die Elendomsbelastingwet)	NO.000744
Residensiële (insluitend woonstelle en groepsbehuising)	R0.002978
Vleesbaai	25% Afslag
Residensiële (Akkommodasie Instellings 1 – 4 huur eenhede)	R0.002978
Landbou (uitgesluit grond wat gebruik word vir besigheid of	
akkommodasie doeleindes)	R0.000744
antenning action accionaccy	1.0.0001
Publieke Voordeel Organisasies	R0 000744
Vakante grond:	D0 000554
Besigheid  Besidensisel  Besidensisel	R0.006551
Residensieel	R0.003574
Publieke Diens Eiendomme (Staatseiendomme)	R0.000744
Spesiale Belasting Gebied Mosselbaai Sentrale Verbeteringsdisktrik	
Kommersiële Eiendom	R0.001080
Residensiële Eiendom	R0.000540
(Let wel dat die tarief vir spesiale belasting gebiede BTW ingesluit is)	
Munisipale Eiendom Kerke Pastoriee Beskermde Areas	100% Korting 100% Vrygestel 100% Vrygestel 100% Vrygestel

Die eerste R50 000 van die waardasie van residensiële eiendomme is vrygestel van die hef van belastings.

# Afslag aan Pensioenarisse

Pensioenarisse kwalifiseer vir die onderstaande afslag vir eiendomsbelasting indien hulle voldoen aan die volgende vereistes:

- a) Die eiendom as sy/haar primêre woning bewoon; en
- b) Ten minste 60 jaar oud is
- c) Medies ongeskik verklaar is selfs al is hy/sy nog nie 60 jaar oud nie, en
- d) 'n Bruto huishoudelike inkomste het wat nie hoër is as dit wat deur die Raad bepaal is tydens die Munisipaliteit se begrotingsproses.

# Afslag aan Pensioenarisse

- a) Die totale bruto inkomste van die man en vrou mag nie meer as R20 800 per maand (R249 600 per jaar) wees nie 30% afslag
- b) Die totale inkomste van die man en vrou mag nie meer as R15 600 per maand (R187 200 per jaar) wees nie 50% afslag

# Alle tariewe is NUL gereken vir BTW-doeleindes

In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks geldig wees.

# **UMASIPALA WASEMOSSEL BHAYI**

# UBHENGEZO LWAMAXABISO EENDAWO KUNYAKA-MALI KA 2018/2018

Esi sisaziso esikhutshwa phantsi kwecandelo 14(2) loMthetho kaRhulumente waseMakhaya: uMthetho wamaXabiso eeNdawo zikaMasipala (uMthetho 6 ka 2004) ukuba iBhunga likaMasipala ngomhla wama 31 Meyi 2018 (isiGqibo E85-05/2018) liye lamkela la maxabiso alandelayo malunga neendawo:

# Zonke iindawo

Ezemveliso	R0.005956			
Ushishino noRhwebo	R0.005956			
<ul> <li>lindawo zobonelelo ngendawo yeendwendwe(iiyuniti 5-7 zeren</li> <li>lindawo zobonelelo ngendawo yeendwendwe (iiyunithi 8-11 ze</li> <li>lindawo zobonelelo ngendawo yeendwendwe</li> </ul>	•			
<ul><li>(12 nangaphezulu yeeyunithi)</li><li>Ushishino lokuFama</li></ul>	0% isaphulelo 30% isaphulelo			
lindawo zamaZiko kaRhulumente lindawo zamaZiko kaRhulumente angangenwayo (i80% yawo	R0.000744			
iyapheliswa ngokweCandelo 93A le MPRA)	R0.000744			
iindawo zokuHlala(kunye neeFlehi neZindlu zamaqela)  • eVleesbaai Iindawo zokuHlala (lindawo zendawo zeendwendwe	R0.002978 25% isaphulelo			
(1 – 4 yeeyunithi zerente)	R0.002978			
Ezolimo (ngaphandle komhlaba osetyenziselwa iinjongo zoshishin	o R0.000744			
Imibutho yoXhamlo Loluntu	R0.000744			
Umhlaba ongenamntu:  uShishino owokuHlala	R0.006551 R0.003574			
lindawo zeeNkonzo zikaRhulumente(ezikaRhulumente ubunini bazo)	R0.000744			
Umiselo-maxabiso Olulodwa kuMbindi weDolophu eMossel Bhayi:				
lindawo zoRhwebo ezokuHlala (Qwalasela ukuba onke amaxabiso awodwa abandakanya iRhafu)	R0.001080 R0.00540			
lindawo zikaMasipala iiCawa/iiNkonzo Izindlu zabefundisi(iiMishini)	100% imbuyekezo 100% azibandakanywa 100% azibandakanywa			

# lindawo eziKhuselweyo

100% azibandakanywa

iR50 000 yokuqala yoqikelelo-maxabiso kwiiNdawo zokuhlala azibandakanywa ekumiselweni amaxabiso.

## Isaphulelo kwabo bamkela iNdodla(iNkam-nkam)

Abarhola indodla bayaqwalaseleka ngokupheleleyo kwezi zaphulelo zilandelayo xa bezalisekisa le miqathango ilandelayo:

- a) Uhlala kuloo ndawo njengeyona ndawo apheleleyo kuyo,
- b) Abe uneminyaka engama 60 ubudala,
- c) Abe umiselwe njengokhubazekileyo empilweni nokuba akafikanga kwiminyaka engama 60,
- d) Ufumana ingeniso iyonke yekhaya engadlulanga kwisixa esimiselwe liBhunga ngexesha leengxoxo zohlahlo-lwabiwo-mali.

# <u>Izaphulelo kwabamkela iNdlodla(iNkam-nkam)</u>

- a) Iyonke ingeniso yomyeni nenkosikazi mayingadluli kwi R20 800 ngenyanga
   (R249 600 ngonyaka)
   30% isaphulelo
- b) Iyonke ingeniso yomyeni nenkosikazi mayingadluli kwi R15 600 ngenyanga (R187 200 ngonyaka) 50% isaphulelo

# Onke amaxabiso eeRhafu amiselwe INANI ELILIQANDA ngakwiRhafu yeNtengo)

Kwiimeko apho kuyakubakho ungungaqondani kwinguqulelo yesiNgesi, isiBhulu okanye eyesiXhosa, le yesiNgesi inguqulelo iyakudlala indima ephambili.

29 June 2018 55901

#### MOSSEL BAY MUNICIPALITY

#### PROPERTY RATES POLICY

**Whereas** Chapter 2 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) provides that a municipal council must adopt a Property Rates Policy and By-Laws to give effect to that policy, and its implementation and enforcement;

**And whereas** the Council of Mossel Bay Municipality has adopted a revised Property Rates Policy on 30 May 2016, Resolution E96-05/2016 and has published the policy in the Extraordinary Provincial Gazette, 7644, dated 30 June 2016 for general information;

**And whereas** the Council of Mossel Bay Municipality has published its amendments to the policy in the Provincial Gazette, 7786, dated 30 June 2017 for general information;

**And whereas** the Council of the Mossel Bay Municipality has adopted the following amendments to the Property Rates Policy on 31 May 2018, Resolution E85-05/2018;

Now therefore the amendments to the Property Rates Policy is hereby published in English for general information. The revised Property Rates Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

Aldus die wysigings tot die beleid hiermee gepubliseer word in Engels vir algemene inligting. Die hersiene Eiendomsbelasting beleid sal op aanvraag beskikbaar gestel word in Afrikaans en Xhosa. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans of Xhosa teks, sal die Engelse teks geldig wees.

Kungoko ke loMgaqo-Nqubo weRhafu upapashwa ngesi-Ngesi ukuze lwaziwe gabalala. Lo Mgaqo-Nkqubo weRhafu uyakufumaneka xa ucelwa nge-Afrikans nangesiXhosa. Xa kunokuthi kanti kukho ukungahlangani phakati kwesi-Ngesi, iAfrikaans okanye umbhalo wesiXhosa, umbhalo wesi-Ngesi uyakwakeleka.

Insertions are indicated in **bold** and <u>underlined</u>
Deletions are indicated in [brackets]

ADV M G GILIOMEE MUNICIPAL MANAGER

#### **Amendment of Section 2**

- 1. Section 2 is hereby amended-
- (a) By the amendment of Section 2.6 as follows:
  - 2.6 In terms of Section 26 of the Municipal Property Rates Act Method and time of payment
    - (1) a Municipality [may] will recover a rate -
      - (a) On a monthly basis [or less often as may be] prescribed in terms of the Municipal Finance Management Act: or
      - (b) Annually on written application by the owner. [Annually, as may be agreed to with the owner of the property.]
    - (2) If a rate is payable in a single amount annually it must be paid on or before a date **during October** determined by the Municipality.
      - (c) <u>When</u> [If] a rate is payable in monthly instalments it must be paid on or before a date in each period determined by the Municipality.

## **Amendment of Section 3**

- 2. Section 3 is hereby amended-
- (a) By the amendment of the following definitions:

"Public Service Infrastructure (PSI)" <u>and "Public Service Infrastructure Impermissible</u> (PSII)" means publicly controlled infrastructure [of the following kinds];

# Section 17(a) and 17(aA) split the subsections as listed in the PSI definition into two groups being:

## Group A = PSI definition subsection (c), (d), (f) and (j) Group B = PSII definition subsection (a), (b), (e), (g), (h) and (i)

- [(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, 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 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 communication system serving the public;
- (g) Runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
- (h) Breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;

- Any other publicity controlled infrastructure as may be prescribed; or (i)
- A right registered against immovable property in connection with infrastructure (j) mentioned in paragraphs (a) to (i)]
- (b) By the insertion of the following definitions:

"Rates Clearance System Supplier" means the Lexis Rates Clearance.com system which manages the processing and issuing of rates clearance certificates;

- 3. Section 4 is hereby amended-
- (a) By the amendment of Section 4.6 as follows:
  - 4.6 Differential rates applicable to Mossel Bay Municipality:
  - Agricultural Properties (FAGR)
  - Multipurpose Properties
  - Businesses and Commercial Properties; (BUS)
  - Industrial Properties; (IND)
  - Mining Properties; (MIN)
  - Municipal Properties; (MUN)
  - National Monuments;]
  - Public Service Properties/Organs of state; (PSP)

  - Place of Worship Church; (POWC)
    Place of Worship Parsonages; (POWP)
  - Protected Area; (PROT)
  - Public Benefit Organisations; (PBO)
  - Public Service Infrastructure; (PSI)
  - Public Service Infrastructure Impermissible; (PSII)
  - Residential Properties; (RES)
  - Vacant Land. (VRES or VBUS)
- (b) By the amendment of Section 4.7 as follows:

TARIFF TYPE	CATEGORY	RATIO	STRUCTURE
RESIDENTIAL	RES	BASE TARIFF	100%
Vacant Land – Residential	VRES	Ratio to base tariff	120%
Business & Commercial	BUS	Ratio to base tariff	200%
Vacant Land – Business	VBUS	Ratio to base tariff	220%
Industrial	IND	Ratio to base tariff	200%
Mining	MIN	Ratio to base tariff	200%
Agricultural	FAGR	Ratio to base tariff	25%
Public Service Infrastructure	PSI / <b>PSII</b>	Ratio to base tariff	25%
Public Benefit Organisation	PBO	Ratio to base tariff	25%
Public Service Properties	PSP (GOV)	Ratio to base tariff	25%
Municipal	MUN	Ratio to base tariff	0%
Protected Areas	PROT	Ratio to base tariff	0%
Place of Worship – Church	POWC	Ratio to base tariff	0%
Place of Worship – Parsonage	POWP	Ratio to base tariff	0%

- 4. Section 5 is hereby amended-
- (a) By the amendment of subsection 5.1 as follows:
  - 5.1 Residential Property (RES)
  - 5.1.1 (a) The first R15 000 of the market value as per the Valuation Roll on <a href="Improved Residential Properties">Improved Residential Properties</a> as set out in Section 17(1)(h) of the MPRA is exempted from paying property rates;
    - (b) The Municipality will grant a rebate in terms of Section 15(1)(b) of the MPRA on the balance of the market value up to the value decided by council in respect of all <u>improved</u> residential properties, as an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties (revenue foregone);
  - 5.1.2 Private Owned Town (Vleesbaai) category no longer exists in the revised MPRA. All these properties <a href="were">were</a> [will be] categorized as Residential from 1 July 2016. The rebate received by these owners will be phased out within [the next] 3 years. A rebate will be granted at an additional <a href="25%">25%</a> [45%] discount on the residential tariff <a href="for this financial period">for this financial period</a>.
- (b) By the amendment of subsection 5.3 as follows:
  - 5.3 Public Service Infrastructure (PSI) and Public Service Infrastructure Impermissible (PSII)
  - 5.3.1 For [Public Service Infrastructure] **PSI and PSII properties** (as defined in the MPRA) the first 30% of its market value in terms of Section 17(1)(a) of the MPRA is exempted from paying property rates.
  - 5.3.2 [The Public Service Infrastructure properties] **PSI and PSII properties** will be charged at 25% of the base tariff. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.
  - 5.3.3 PSII properties are subject to phasing out in accordance to Section 93A of the MPRA.
- (c) By the amendment of subsection 5.4.1 as follows:
  - 5.4.1 A farm is an area of land, including various structures thereon, devoted primarily to the practice of producing and managing food (produce, grains or livestock) or forestry products. The farming activity must be intense, must not be a mere hobby and must contribute to the local economy. (Bona fide farmer)
- (d) By the amendment of subsection 5.7 as follows:
  - 5.7 Pensioners
  - 5.7.1 Registered owners of Residential Properties who are pensioners qualify for special rebates according to gross monthly household income of all persons permanently residing on that property. To qualify for the rebate a property owner must be the registered owner of a property which satisfies the requirements of the definition of Residential Property. This property owner must [on 1 July of the financial year]:

occupy the property as his/her Primary Residence, and be at least 60 years of age, or has been declared medically unfit [even if not yet 60 years of age], and be in receipt of a gross monthly household income not exceeding the amount determined by Council during the Municipality's budget process. not receive any other rebates [like phasing out rebates on Vlees Bay].

- 5.7.2 All applications for Pension Rebates will be effective for the same period as the General Valuation Roll. Applicants that qualified for the 2017/2018 financial year, will retain their pensioner's status until the next General Valuation becomes effective.
  - All pensioners must re-apply for Pension Rebates by 31 May of the year preceding the next General Valuation effective date. [The owner must submit the application by 15 June of the previous financial year since administration must be completed for charges in this financial year. (Application forms can be obtained from the Municipality).]
- 5.7.3 [Late applications will be accepted, only under special circumstances, until 30 June and rebates will be calculated pro-rata.] Any new applications may be submitted at any time during the year, after which the rebates will be pro-rated from the month following successful application. (Application forms can be obtained from the Municipality).
- 5.7.4 If any status relating to 5.7.1 of this policy change, it is the responsibility of the applicant to notify the municipality. After notification, the municipality will remove the "Pensioner" status on the property. If neglected to notify the municipality of such status change and the municipality becomes aware of such change, the municipality will remove the "Pensioner" status and reverse any rebates that was granted on the property from application date.

  [No late applications will be accepted from 1 July].
- 5.7.10 In the case of change in ownership, "Pensioner" status will automatically be adjusted.
- (e) By the amendment of Section 5.8 as follows:
  - 5.8.1 In terms of Section 17(1) (i) of the MPRA, the Municipality may not levy a rate on <a href="improved">improved</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.

- 5. Section 6 is hereby amended-
- (a) By the amendment of Sections 6.1 and 6.2 as follows:
  - People who have submitted false information and/or false affidavits and/or failed to notify the CFO of any amended use of properties owned or used by them will have the exemptions, rebates or reductions withdrawn with effect from the date of the incident in question and interest <a href="mailto:and-penalties">and penalties</a> levied as provided for in the Municipality's Credit Control and Debt Collection Policy and By-Law. The Municipality may also take further appropriate action against them.

All applications for [exemptions,] rebates or reductions will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Municipality's Credit Control and Debt Collection By-Law and Policy, which may include water and electricity saving measures. Should there be a default on the arrangements, all the rebates, exemptions or reductions granted may be reversed with effect from the date on which the default took place.

#### **Amendment of Section 11**

- 6. Section 11 is hereby amended-
- (a) By the amendment of Section 11 as follows:

#### **Software and System Details**

The municipality can will make use of an electronic Rates Clearance System. The system will provide a secure electronic link between the Conveyancing Attorneys and Municipality.

## **Audit and Legislation Compliance Process**

All monies collected by the Municipality including in respect of Special Rating Areas (including City Improvement Districts) and any estimated amounts for the duration of the validation period of a certificate in terms of Section 118(1)(a) of the Systems or Section 89 of the Insolvency Act, (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:

- all amounts that are due, <u>on date of application</u>, must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act;
- 11.2 developer's contributions will be due and payable before any rates clearance certificate is issued on new erven developments;
- 11.3 **Pro-rata rates will be calculated by the Municipality** [attorneys are responsible to calculate pro-rata rates on date of registration];
- 11.4 All receipts of fees, advance rates and services will be allocated on the Seller's debtors account. These fees will first be allocated to any arrears, clearance fee and valuation certificate fee, before allocated as an advance.
- <u>11.5</u> [11.4] In the case of new sectional title developments payment of developer's contribution will be due before services will be connected;
- <u>11.6</u> [11.5] no interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due; and
- [11.6] [all payments will be allocated to the registered seller's municipal accounts];
- Outstanding services of tenants may only be recovered for a maximum period of two years if a request is lodged for a Section 118(3)[(1)] of the Municipal Systems Act (32 of 2000) Clearance Certificate. If this is done the conveyancer, seller [as well as the] and buyer of the property must be informed that the remaining debt will remain on the property according to subsection 3, [the buyer will then be held responsible for it].
- 11.8 The clearance certificate will [only] be valid for 120 days;

- 11.9 Extension on a clearance certificate will be granted, if all services [is] <u>are</u> paid in advance for another 120 days;
- 11.10 [If the valid period surpasses 30 June of the year in which the request was received, the total annual debit for the following financial year will be payable]. Only electronic Rates Clearance Applications will be accepted.
- 11.11 Attorneys should await figures with the unique deposit reference for developer's contributions before payments are made. Proof of payment of developer's contributions will be validated via the capital contribution schedule.

#### **Amendment Section 12**

- 7. Section 12 is hereby amended
- (a) By the amendment of Section 12 as follows:
  - 12.5 Refunds will be issued once a month per attorney firm.
  - <u>All attorneys must apply for refunds through the electronic rates clearance system.</u>
  - <u>12.7</u> <u>Disconnection or reconnection of services must be sent through the rates clearance application system, as well as by e-mail to admin@mosselbay.gov.za.</u>

### **Amendment of Section 18**

- 8. Section 18 is hereby amended-
- (a) By the amendment of the date as follows:

This policy will come into effect on 1 July 2018 [2017]

ADV. M G GILIOMEE MUNICIPAL MANAGER

29 June 2018 55902

#### MOSSEL BAY MUNICIPALITY

#### **AMENDMENTS TO THE TARIFF POLICY**

**Whereas** section 75 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) provides that a municipal council must adopt a Tariff Policy and By-laws to give effect to that policy, and its implementation and enforcement;

**And whereas** the Mossel Bay Municipality has adopted a revised Tariff Policy on 29 May 2014, Resolution E58-05/2014 and has published the policy in the Provincial Gazette, 7313, dated 03 October 2014 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Tariff Policy in the Provincial Gazette 7460, dated 31 July 2015 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Tariff Policy in the Extraordinary Provincial Gazette 7644, dated 30 June 2016 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Tariff Policy in the Provincial Gazette 7786, dated 30 June 2017 for general information;

**And whereas** the Council of the Mossel Bay Municipality has adopted the following amendments to the Tariff Policy on 31 May 2018, Resolution E85-05/2018;

Now therefore the amendments to the Policy is hereby published in English for general information. The revised Tariff Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

Aldus die wysigings tot die Beleid hiermee gepubliseer word in Engels vir algemene inligting. Die gewysigde Tarief Beleid sal op aanvraag in Afrikaans en Xhosa beskikbaar gestel word. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks aanvaar word.

Isihlomelo esenziwe kumgaqo wamaxabiso erhafu upapashwa ngolwimi lwesiNgesi elubala. Xa ubani efuna inguqulelo yesiBhulu okanye eyesi Xhosa angayifumana ngokwenza isicelo eso. Ukuba kuthe kwakho imbhambhano kwezilwimi xa kutolikwa lemigaqo, ulwimi lwesiNgesi luyakulandelwa.

Insertions are indicated in **bold** and <u>underlined</u> Deletions are indicated in [brackets]

#### **Amendment of Section 2**

- 1. Section 2 is hereby amended-
- (a) By the insertion of the definition of **Back yard dwellers** as follows:

"Back yard dwellers" the portion of a building site behind a house, structure, where somebody lives or stay as a permanent resident;

(b) By the amendment of the following definitions:

"Households" all [matured] persons older than 18 years that [occupied] <u>occupies</u> a property within the jurisdiction of the Council regardless whether the person rents or owns the property;

"Poor households" A household qualify as a poor household on the following conditions:

(a) Total monthly household income must be more than twice (2x) the monthly State old age pension, but less than <u>four times (4x) the monthly State old age pension</u> [an amount determined by Council;]

"Public Service Infrastructure – <u>Impermisable (PSII)</u>" means <u>the national, provincial and local government properties that are phasing out for rates payment according to Section83 of the MPRA [publicly controlled infrastructure such as, national, provincial or other public roads, railway lines, etc.] (full definition included under MPRA above);</u>

"Public Service [purposes] Properties (PSP) (previously (GOV))" in relation to the use of a property means property owned and used by an organ of state as-

(c) By the deletion of the following definitions:

["Public Open Space Municipality (POSM) means vacant land owned by the Municipality];

["Public Open Space Private (POSP)" means small pieces of vacant land in private complexes used for playgrounds, parking, gardening, etc.;]

["Public Service Infrastructure Private (PSIP)" properties, mostly found in private owned complexes used for streets, right of way, pavements, etc.;]

#### **Amendment of Section 10**

- Section 10 is hereby amended–
- (a) By the amendment of subsection 10.8(c) as follows:
  - (c) If no objection is lodged within the period stated in the notice, the determination or amendment will come into operation on the date determined by the Council. Where an objection is lodged, every objection must be considered. The Council or its delegated official may, after it has considered all objections, confirm, amend, or withdraw the determination or amendment and may determine another tariff and the date on which the determination or amendment will come into operation.

#### **Amendment of Section 14**

- 3. Section 14 is hereby amended-
- (a) By the amendment of subsection 14.1(e) as follows:
  - (e) Any block tariff structure is sensitive to consumption over a specified period. It is therefore essential that meters be read regularly at intervals as near as possible to 30 days as longer or shorter consumption periods may affect the monthly consumption volumes in specific tariff blocks.

Pre-paid electricity tokens must be inserted into the meter within three months after the purchase date as the tokens can expire after three months and no refund or replacement of the tokens are allowed.

- (b) By the amendment of subsection 14.2 as follows
  - 14.2 Domestic Supply
  - (a) A two-part tariff structure for single phase meters with up to 60 amperes is applied in respect of credit meters as well as prepaid meters. This tariff is also applicable to schools, churches, crèches, registered welfare organisations, state subsidised museums, airport hangers used as storage, general lighting, swimming pool pumps and lifts, [but without any free units which is only applicable to households.]
  - (b) All Households with a prepaid meter using less than 400 kWh (based on the average purchases of the previous four months) will automatically be placed on the domestic twopart tariff except in the following cases:
    - (i) Indigent or poverty-stricken consumers
    - (ii) Consumers identified as permanent inhabitants for at least nine month of a year. To be identified as such, a consumer has to hand in a sworn affidavit signed by a Commissioner of Oath. The nine months will be from date of application for services in the case of a tenant with a lease agreement this lease agreement must be for nine months going forward. If it is found that a

# sworn affidavit is false, a consumer will be put on the 2-part tariff and may not apply to be put on the 1-part tariff for the next year

- (iii) Schools, Churches, crèches, registered welfare organisations, state subsidised museums, airport hangers used as storage, general lighting, swimming pool pumps and lifts, on prepaid [(but without any free units when applicable for households)].
- (c) A one-part tariff all household consumers with single phase pre-paid meters who use more than 400kWh electricity per month and who permanently occupies the property for at least nine month of a year. This is subjected to an affidavit and rental contract (active for at least 9 months after date of application). This tariff is also applicable to schools, hurches, crèches, registered welfare organisations, state subsidised museums, airport hangers used as storage, general lighting, swimming pool pumps and lifts, [but without any free units].
- [(e) A certain amount of electricity could be distributed free of charge every month. This is decided on by council during the budgetary process.]
- [(f)] (e) A two-part domestic tariff structure for three phase meters, are applied in respect of credit meters as well as prepaid meters and is also applicable to churches, crèches, general lighting, swimming pool pumps and lifts, [but without any free units which is only applicable to households].
- [(g)] (f) Domestic SSEG feed Tariff Single phase. This is only applicable to credit meters.
- [(h)] (g) Domestic SSEG feed Tariff Three phase. This is only applicable to credit meters.
- [(i)] (h) Domestic prepaid for life-line machine. Approved medical certificate to this effect is to be provided.
- [(j)] (i) Accommodation (1 to 4 rental units): Domestic Single Phase Credit or Pre-paid. This can only be a two-part tariff.
- [(k)] (i) Accommodation (1 to 4 rental units): Domestic Three Phase Credit or Pre-paid. This can only be a two-part tariff.

Domestic Consumers can be transferred between the one-part and two-part tariff once per financial year, if the request is made in writing. Where a Domestic Consumer was previously on the two-part tariff where a deposit was paid, the deposit will not be refunded in case of this transfer. Where a Domestic Consumer was previously on the one-part tariff, a deposit will be payable / adjusted as per tariff list.

- (c) By the amendment of subsection 14.3 as follows:
  - (h) Accommodation (5 or more rental units): Business Three Phase Credit or Pre-paid.

[The one-part tariff as in (b) and (d) above is only applicable to existing meters and consumers on this tariff subject to the following]:

All new consumer agreements, new commercial installations and increased capacity applications will automatically be placed on the two-part tariff as in (a) and (c) above.

Existing Commercial Consumers will be allowed to be transferred between the two-part and one-part tariffs once per financial year, provided that the consumption is not less than 500 units for 10 months in a year. Where a Commercial Consumer was previously on the two-part tariff where a deposit was paid, the deposit will not be refunded in case of this transfer. Where a Commercial Consumer was previously on the one-part tariff, a deposit will be payable / adjusted as per tariff list.

[Domestic as well as Commercial Consumers on the one-part tariff can be transferred to the two-part tariff if the request is made in writing and the necessary deposit adjustment has been paid.]

[Pre-paid electricity tokens must be inserted into the meter within three months after the purchase date as the tokens can expire after three months and no refund or replacement of the tokens are allowed.]

- (d) By the amendment of subsection 14.6 as follows:
  - (j) Cancellation of prepaid electricity tokens with a value of R500 or more, must first be inspected before cancellation of the token.

#### **Amendment of Section 15**

- 4. Section 16 is hereby amended-
- (a) By the amendment of Section 15.6 as follows:
  - 15.6.1 Leakages Normal consumers

If the leakage is on the consumer's side of the meter, the consumer will be responsible for the payment of all water supplied to the property. The consumer has the responsibility to control and monitor his/her water consumption.

- (a) A consumer may qualify for a reduction in levy as determined by Council on his/her account in the event of a water leakage, if:
  - the leakage was underground or under the foundation of the building and not easily detectable; and
  - (ii) the leakage was repaired within 48 hours after detection / notification by the municipality; and

- [(iii) the consumer submits a sworn affidavit by him/herself confirming that his/her insurance(s) does not cover such losses; and]
- [(iv) a written confirmation from the consumer's insurance must also be submitted together with the sworn affidavit in which they confirm that the Insurance Policy of the consumer indeed does not cover any losses due to leakages; and]
- [(v)] (iii) the consumer has not applied for discount on water leakages within the previous 12 months; and
- [(vi)] (iv) an authentic certificate issued by a registered plumber must reach the Municipality within 10 days after completion of repairs done with respect to a water leakage and must contain the following:
  - the date of the invoice and repair work as well as the receipt; and
  - confirmation that surface leakage was not visible.; or
- (v) If repairs were done by the consumer themself, his / her sworn affidavit must reach the Municipality within 10 days after completion of repairs done with respect to a water leak and must contain the following:
  - the date of the invoice and repair work as well as the receipt and/or date stamped photos proving that the leak was underground and repaired by themselves; and
  - that the reading has normalised; and
  - confirmation that surface leakage was not visible.
- (e) Any applications that do not comply with **points in 15.6.1 (a)(iv) or 15.6.1(a)(v) above**, may be referred to a special water leakage committee for further consideration of possible reductions.

#### 15.6.2 Leakages - Indigent consumers

[(c) Any applications that do not comply with above, may be referred to a special water leakage committee for further consideration of possible reductions.]

- 5. Section 16 is hereby amended-
- (a) By the amendment of Section 16.1 as follows:
  - (e) Tariffs are based on units of refuse removal. For house hold purposes one unit is defined as two [one] bags of refuse removed once a week and for commercial purposes one unit is defined as one wheelie bin or five bags and the rate is determined by the number of removals per week.

(j) A refuse fee will be charged for each dwelling on an <u>improved</u> property, [to all occupiers.Owners of improved properties,] whether or not an electricity meter has been installed. A refuse levy will <u>still</u> [also] be payable [by the owner] where a building/house is unoccupied <u>or under construction, where an electricity meter has been installed.</u>
The levy will be from the installation date of the electricity meter.

#### **Amendment of Section 17**

- 6. Section 17 is hereby amended-
- (a) By the insertion of subsection 17.8 as follows:
  - 17.8 Emptying of Septic/Conservancy Tanks
  - (a) Consumers may apply for their septic/conservancy tank to be emptied.
  - (b) A consumer can apply to be put on the monthly tariff, which entitles the tank to be emptied once a month by the municipality. Application for or Removal of this tariff may only be done once per financial year.
  - (c) For any additional removals or if not on the above monthly tariff, the consumer may apply for an additional removal at tariffs set out in the tariff list.

#### **Amendment of Section 22**

- 7. Section 22 is hereby amended-
- (a) By the amendment of Section 22 as follows:

This policy will come into effect on 1 July 2018 [2017]

ADV. M G GILIOMEE MUNICIPAL MANAGER

29 June 2018 55903

#### **MOSSEL BAY MUNICIPALITY**

# AMENDMENTS TO THE CUSTOMER CARE, CREDIT CONTROL, DEBT COLLECTION, INDIGENT AND TAMPERING POLICY

Whereas section 98 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) provides that a municipal council must adopt a Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy and By-laws to give effect to that policy, and its implementation and enforcement;

**And whereas** the Mossel Bay Municipality has published its revised Policy in the Provincial Gazette, 7313, dated 03 October 2014 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Policy in the Provincial Gazette, 7460, dated 31 July 2015 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Policy in the Extraordinary Provincial Gazette, 7644, dated 30 June 2016 for general information;

**And whereas** the Council of the Mossel Bay Municipality has published its amendments to the Policy in the Provincial Gazette, 7786 dated 30 June 2017 for general information;

**And whereas** the Council of the Mossel Bay Municipality has adopted the following amendments to the Policy on 31 May 2018, Resolution E85-05/2018;

Now therefore the amendments to the Policy is hereby published in English for general information. The revised Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

Aldus die wysigings tot die Beleid hiermee gepubliseer word in Engels vir algemene inligting. Die gewysigde Klientediens, Kredietbeheer, Skuldinvordering, Deernis en Peuterbeleid sal op aanvraag in Afrikaans en Xhosa beskikbaar gestel word. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks aanvaar word.

Izihlomelo ezenziwe kwimigaqo elawula indlela yokuphatha abantu, nowesibonelelo sabantu abangathathintweni, nowokulawulwa kwatyala, nowokuqokelelwa kwamatyala ipapashwa ngolwimi lwesiNgesi elubala. Xa ubani efuna inguqulelo yesiBhulu okanye eyesi Xhosa

angayifumana ngokwenza isicelo eso. Ukuba kuthe kwakho imbhambhano kwezilwimi xa kutolikwa lemigaqo, ulwimi lwesiNgesi luyakulandelwa.

Insertions are indicated in **bold** and <u>underlined</u> Deletions are indicated in [brackets]

#### **Amendment of Section 5**

- 1. Section 5 is hereby amended-
- (a) By the insertion of the following definitions:

"Back yard dwellers" the portion of a building site behind a house, structure, where somebody lives or stay as a permanent resident;

"Tariff" means the levying of fees, rates or taxes for municipal services provided by the Municipality itself and that complies with the Municipal Systems Act, (Act no. 32 of 2000);

- (b) By the amendment of the following definitions:
  - "Household" means all <u>persons</u> [occupants] older than 18 years <u>that occupies a property</u> within the jurisdiction of the Council regardless whether the person rents or owns the property. [The family unit is determined by the Municipality to be traditional by taking into account the number of persons in the unit, the relationship between the members of a household, their ages and any other factor that the Municipality considers to be relevant];
  - "Non-residential debtors" are classified as those debtors who do not qualify for or receive free [electricity and/or] water;
  - "Residential debtors" are classified as those debtors who qualify for and receive free [electricity and/or] water;

- 2. Section 6 is hereby amended-
- (a) By the amendment of subsection 6.7 as follows:
  - (m) When a client <u>request</u> [asked for] any changes to be <u>performed</u> [done] on his premises like an amp change <u>or building plan application or sub-division of the site, or</u> [at] any <u>other</u> stage where a job<u>card</u> must be created, the arrear amount on their account must be settled before the request can be honoured and the deposit to be adjusted in line with the amount determined by council for that specific year.

(n) In case of lowering of amps or supply, the deposit will not be adjusted on the municipal account.

#### **Amendment of Section 7**

- 3. Section 7 is hereby amended-
- (a) By the amendment of subsection 7.8 as follows:
  - (b) The cost associated with the incentive scheme, if introduced, will be reflected in **the** annual budgets as additional expenditure **in the project segment.**
- (b) By the amendment of subsection 7.10 as follows:
  - 7.10.1 Water leakages Normal consumers

If the leakage is on the consumer's side of the meter, the consumer will be responsible for the payment of all water supplied to the property. The consumer has the responsibility to control and monitor his/her water consumption.

- (a) A consumer may qualify for a reduction in levy as determined by Council on his/her account in the event of a water leakage, if:
  - (i) the leakage was underground or under the foundation of the building and not easily detectable; and
  - (ii) the leakage was repaired within 48 hours after detection / notification by the municipality; and
  - [(iii) the consumer submits a sworn affidavit by him/herself confirming that his/her insurance(s) does not cover such losses; and]
  - [(iv) a written confirmation from the consumer's insurance must also be submitted together with the sworn affidavit in which they confirm that the Insurance Policy of the consumer indeed does not cover any losses due to leakages; and]
  - [(v)] (iii) the consumer has not applied for discount on water leakages within the previous 12 months; and
  - [(vi)] (iv) an authentic certificate issued by a registered plumber must reach the Municipality within 10 days after completion of repairs done with respect to a water leakage and must contain the following:
    - the date of the invoice and repair work as well as the receipt; and
    - confirmation that surface leakage was not visible; or.
  - (v) If repairs were done by the consumer themself, his / her sworn affidavit must reach the Municipality within 10 days after completion of repairs done with respect to a water leakage and must contain the following:
    - the date of the invoice and repair work as well as the receipt and/or date stamped photos proving that the leak was underground and repaired by themselves; and
    - that the reading has normalised; and
    - confirmation that surface leakage was not visible.

- (e) Any applications that do not comply with <u>points in 7.10.1 (a)(iv) or 7.10.1 (a)(v)</u> above, may be referred to a special water leakage committee for further consideration of possible reductions.
- 7.10.2 Leakages Indigent consumers
- [(c) Any applications that do not comply with above, may be referred to a special water leakage committee for further consideration of possible reductions.]
- (c) By the amendment of subsection 7.20 as follows:
  - 7.20 Restriction of services

If the Accounting Officer, <u>or his/her delegated authority</u>, is of the opinion that the termination of services, in the case of a particular property in respect of which the account is in arrear, is not in the best interests of the community, specifically because of the potential endangerment of the life of any person, whether resident in or outside the property concerned, the Accounting Officer, <u>or his/her delegated authority</u>, may appropriately restrict rather than terminate the services in question.

#### **Amendment of Section 8**

- 3. Section 8 is hereby amended-
- (a) By the amendment of subsection 8.1 as follows:
  - 8.1 Application for Municipal Services
  - (a) All consumers of services will be required to sign an agreement governing the supply and cost of Municipal services. Owners (with their written consent) may allow tenants to sign separate agreements with the Municipality, which the Municipality may at its own discretion accept or reject;

Consumers will be identified as permanent inhabitants if they occupy the property for at least nine months of a year. To be identified as such, a consumer has to hand in a sworn affidavit signed by a Commissioner of Oath. The nine months will be from date of application for services in the case of a tenant with a lease agreement — this lease agreement must be for nine months going forward. If it is found that a sworn affidavit is false, a consumer will be put on the 2-part tariff and may not apply to be put on the 1-part tariff for the next year

(d) Applications for services from businesses, including but not limited to trusts, companies, close corporations and partnerships must include a resolution of the entity providing delegating authority to the applicant to apply for the relevant service and furnishing, if applicable, the business entity's registration number or ID number, the names, addresses and all relevant contact particulars of all the business's directors, members, trustees, proprietors or partners;;

- (b) By the amendment of subsection 8.3 as follows:
  - (g) An owner may request for the disconnection of services where the meters are on his name, under the following conditions:
    - The meter must be removed from the property by our Technical Department;
    - Availability will be charged;
    - Normal new connection fees and procedures will be applicable for reconnection.
- (c) By the amendment of subsection 8.4 as follows and renumbering of subsections:
  - (e) [f] An amount deposited with the Municipality in terms of this paragraph shall not be regarded as being in payment or part payment of an account due for services rendered except in the case of a final account where the final amount will first be cleared before the remaining portion of the deposit can be paid back;
  - (f) [g] No interest shall be payable by the Municipality on the amount of a deposit held by it in terms of this paragraph;
  - (g) [h] An agreement for the provision of services may contain a condition that a deposit shall be forfeited to the Municipality or its authorised agent if it has not been claimed within twelve months of the termination of the agreement;
  - (h) [i] The Municipality will not accept a bank guarantee as a deposit;
  - Only on the termination of the agreement the amount of the deposit, less any outstanding amount due to the Municipality, will be refunded to the consumer or transferred to any other outstanding account of the client;
  - (j) For any changes to a connection type, the deposit will be adjusted in accordance with the approved tariff list.
  - (k) <u>In case of lowering of amps or supply, the deposit will not be adjusted on the municipal account</u>. [No decrease in deposit will be allowed on active accounts].
  - (I) [m] Any inactive deposit that is correctly recognised in the financial statements as payable and has not been claimed back within a period of three years after the service has been delivered completed or finalised, will be forfeited.
    - i. The only exception to this is when a block booking has been made and the deposit is carried over for the next booking. This is only applicable within a financial year. The deposit must be repaid and revised at the beginning of a new financial year.
    - ii. A request for repayment of an inactive deposit after the three-year period can be made after which the CFO will consider each case on its own merit.

#### (m) [n] Commercial, Business and Industrial:

- deposits for businesses <u>will</u> [may] be levied according to twice the highest bill during the previous 12 months for similar businesses or the deposit as specified in the tariff list, whichever is the highest (Council Res. F190-7/2004);
- (ii) New connections at new extensions of businesses will be as specified in the tariff list for the current financial year.
- (n) Payment of a deposit is not applicable to properties where the property has been identified as an Indigent household.

# (o) Poor households (subsidy) will pay a deposit as determined in the Tariff List.

For any changes requested on the connection type the deposit will be adjusted accordingly and in accordance with the current approved tariff list. All outstanding debt on this premises or any other property of the consumer must be paid in full. The deposit will not be decreased with the lowering of amps or supply.

- (d) By the amendment of subsection 8.6 as follows:
  - (d) Discontinuation of services and rendering of a final account will always be between two debit raisings. Thus any request for discontinuation of services after the 18th of a month (or if on a weekend or public holiday the first working day thereafter) will only be finalised with the next debit raising of the following month and the basic <u>charges</u> for that period will be payable;
  - (h) Dishonoured payments
    - (i) If the payee or the consumer is an existing consumer of Council, the reversal and penalty fee may be debited to an account of the drawer or beneficiary and a letter of notification [must] will be sent to the consumer. Such fee shall be deemed to be a tariff charge and shall be recovered from the consumer. Council reserves the right to place the matter on the National Adverse Credit Listing and also institute legal action which may include criminal charges against the offender;
  - (k) Pay points and payment methods
    - (ii) The Municipality [must] <u>will</u> inform customers of the location of specified pay points and the identity of approved agents who may receive payments on its behalf in respect of services rendered to customers;
- (e) By the amendment of subsection 8.8 as follows:
  - (h) [The Municipality may consolidate any separate accounts for which a customer is liable for payment on the same ERF and account name;] **The municipality will:**

- (i) consolidate any separate accounts of a person(s) or entity liable for payments to the municipality;
- (ii) Credit a payment by such a person against any account of that person; and
- (iii) Implement any of the debt collection and credit control measures provided for in this Policy in relation to any arrears on any of the accounts of such a person.
- (iv) Section (i to iii) above does not apply where there is a dispute between the municipality and a person referred to in that subsection concerning any specific amount claimed by the municipality from that person.
- (f) By the amendment of subsection 8.10 as follows:
  - (f) If the consumer is not satisfied with the outcome of the appeal, he/**she** may, under protest, pay the amount in dispute and redress his/**her** action in a court of law.
- (g) By the amendment of subsection 8.12 as follows:
  - (c) Tampers at indigent/subsidy household will be handled the same as with normal households and removed from the list of indigents.
- (h) By the amendment of subsection 8.14 as follows:
  - (c) <u>the first</u> installation of pre-paid meter is free of charge for indigent and subsidised households, however this is not applicable for more than one meter per property;
  - (e) Cancellation of prepaid electricity tokens with a value of R500 or more, must first be inspected before cancellation of the token.
- (i) By the amendment of subsection 8.15 as follows:
  - (c) to enforce satisfactory arrangements with consumers in arrears by blocking the prepaid meter in order to prevent purchasing of electricity and also enforce the consumer to enter into a service agreement with council and pay the necessary <u>fees as per the policy</u> [deposits];

# **Amendment of Section 9**

- 4. Section 9 is hereby amended-
- (a) By the amendment of Section 9 as follows:

#### Objective

To provide procedures and mechanisms to collect all the monies due and payable to Council arising out of the supply of services and <u>any</u> [annual] levies, in order to ensure financial sustainability and delivery of Municipal services in the interest of the community.

(b) By the amendment of subsection 9.2 as follows:

#### 9.2 Restoration of Services

Upon the liquidation of arrears, or the conclusion of <u>an</u> acceptable arrangements for term payment, the service will be reconnected as soon as conveniently possible and a new tenant account [can] <u>may</u> be opened if the previous consumer was liquidated.

#### **Amendment of Section 10**

- 5. Section 10 is hereby amended-
- (a) By the amendment of subsection 10.3 as follows:

By the deletion of subsection 10.3 as follows:

[10.3 Criteria for Indigent or Poor Households

To qualify for a subsidy, a household must comply with the following criteria:

- (a) For an Indigent subsidy the verified gross monthly income of all occupants over 18 years of age may not exceed the sum of two times the amount of state funded social pension and for a Poor household subsidy may not exceed the amount predetermined by Council; or
- (b) The valuation of the property must not exceed the amount, as determined by Council, in order to automatically qualify for an Indigent household; and
- (c) The registered indigent must be the full-time occupant or owner of the property concerned. This includes cases where the occupant rents the property and is a South African Citizen.]

By the insertion of new subsection 10.3 as follows:

#### 10.3.1 Indigent Income Households

To qualify as an Indigent Income Household, a household must comply with the following criteria:

- (a) For an Indigent subsidy the verified gross monthly income of all occupants over 18 years of age may not exceed the sum of two times the amount of state funded social pension; and
- (b) The registered indigent must be the full-time occupant of the property concerned.

#### 10.3.2 Indigent Valuation Households

To qualify as an Indigent Valuation Household, a household must comply with the following criteria:

- (a) The valuation of the property must not exceed the amount, as determined by Council; or
- (b) Households living in a new RDP property which have not yet been valued; and
- (c) The average monthly consumption of electricity by the household over the previous four months may not exceed 350kWh; and
- (d) The average monthly consumption of water by the household over the previous four months, excluding water leakages, may not exceed 15kl.
- (e) If an Indigent Valuation Household gets disqualified because of consumption limits in (c) and (d) above, subsidies will be cancelled after 14 days of notification. These household may apply for criteria 10.3.1 or 10.3.3 depending on their gross monthly income. If this application is not done within 14 days of notification the subsidy cannot be granted retrospectively.

#### 10.3.3 Poor Households

To qualify as a Poor Household, a household must comply with the following criteria:

- (a) The verified gross monthly income of all occupants over 18 years of age may not exceed the sum of four times the amount of state funded social pension; and
- (b) The registered poor household must be the full-time occupant of the property concerned.
- (b) By the insertion of a new subsection 10.4 as follows:
  - 10.4 Limitation of Usages for Indigent Income Households and Poor Households
  - (a) Monthly consumption of electricity by the household will be limited to 350kWh; and
  - (b) Monthly consumption of water by the household will be limited to 15kl.
- (c) By the amendment of subsection **10.5** [10.4] as follows:
  - [10.4] 10.5 Application for Indigent Income Households and [or] Poor Households [Subsidy]

The account holder must apply in person at a customer care office of the Municipality on the prescribed application form. The following items must accompany the application:

- (a) The latest municipal account of the household;
- (b) Proof of the account holder's identity;
- (c) Proof of income of the total household:
- (d) Sworn <u>affidavit</u> [statement].
- (d) By the insertion of a new subsection 10.6 as follows:
  - 10.6 If a sworn affidavit is false, the following will happen;
  - (a) The indigent or poor household benefit will be cancelled;
  - (b) All previous discounts for the current financial will be reversed; and.
  - (c) The household may not apply to be registered as an indigent or poor household for the next year.
- (e) By the amendment of subsection 10.7 [10.5] as follows:

# 10.7 [10.5] Local Audit (Verification) of Indigent Income Households and Poor Households

The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s)

The Municipality also reserves the right to contact employers in Mossel Bay to verify whether a person applying for subsidy is employed by them.

- (f) By the renumbering of subsection [10.6] to **10.8** and amendment as follows:
  - (g) Where the household qualifies for the subsidy but is not the owner or account holder of the property and the owner cannot be traced, a tenant account can be opened for the occupier. A deposit must be paid as stipulated in the tariff policy. [without a deposit. If at any stage the situation of this person should change and he is de-registered, a deposit must be paid];
- (g) By the insertion of a new subsection 10.9 as follows:
  - 10.9 Rates and Services subsidies per Category:
  - 10.9.1 Indigent Income Households
  - (a) Water 6 kl and basic charges per month

- (b) Electricity 50 kWh and basic charges per month
- (c) Refuse removal basic charges per month
- (d) Sanitation basic charges per month
- (e) Property Rates property rates on the valuation up to the amount as determined by Council to qualify as an Indigent Valuation Household.

#### 10.9.2 Indigent Valuation Households

- (a) Water 6 kl and basic charges per month
- (b) Electricity 50 kWh and basic charges per month
- (c) Refuse removal basic charges per month
- (d) Sanitation basic charges per month
- (e) Property Rates property rates on the valuation up to the amount as determined by Council to qualify as an Indigent Valuation Household.

#### 10.9.3 Poor Households

- (a) Water 6 kl and 50% of basic charges per month
- (b) Electricity 25 kWh and 50% of basic charges per month
- (c) Refuse removal 50% of basic charges per month
- (d) Sanitation 50% of basic charges per month
- (h) By the renumbering of subsection [10.7] to **10.10** and amendment as follows:

# [10.7] **10.10** Other subsidies [Problems] at Indigent and Poor households

(a) Water Leakages

Where water leakages occur at indigent or poor households, such leakages must be reported in accordance with the water leakage policy, after which the remaining debt may be written off and recovered from the equitable share grant, on condition that a water restrictor meter was installed.

- (b) Fire Brigade Fees
  - (i) All fire brigade fees may be written off that was levied on indigent <u>income</u> <u>households</u> and <u>50 %</u> of poor households.
  - (ii) In cases where the client is an indigent valuation household or poor household, an indigent audit must be performed done to determine whether the client would have qualified as an indigent income household or poor household, before the debt will be presented to Council for write off.
- (c) Blocked Drains and Sewerage
  - (i) All fees relating to blocked drains and sewerage may be written off that was levied on indigent **income households** and **50**% of poor households.

- (ii) In cases where the client is an indigent valuation household or poor household, an indigent audit must be done to determine whether the client would have qualified as an indigent income household or poor household, before the debt will be presented to Council for write off.
- (i) By the renumbering of subsection [10.8] to **10.11**.

## **Amendment of Section 15**

- 9. Section 15 is hereby amended-
- (a) By the amendment of Section 15 as follows:

This Policy will come into effect on 1 July [2017] 2018

ADV M G GILIOMEE MUNICIPAL MANAGER

29 June 2018 55904

