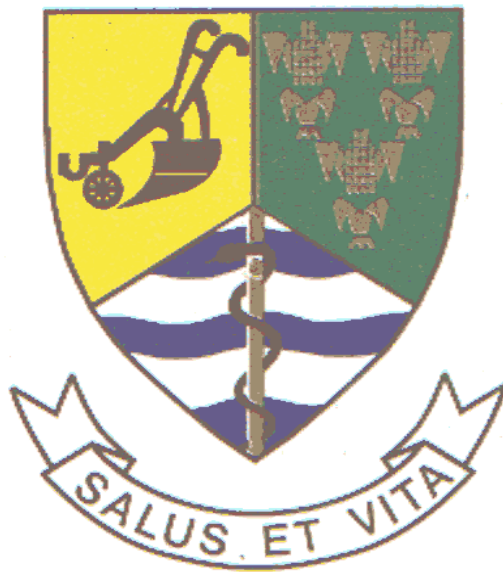


# **BELA-BELA LOCAL MUNICIPALITY**



## **INDIGENT SUPPORT BY-LAW 2016/2017**

## DEFINITION

**"Actual consumption"** means the consumption measured of any consumer within the residential area;

**"Applicable charge"** means the rate, charge, tariff, flat rate or support determined by the Municipality;

**"Area of supply"** means any area within or partly within the area of jurisdiction of the Municipality for which a municipal service(s) is/are provided;

**"Authorised agent" means:**

- (a) Any person authorized by the municipality to perform any act, function or duty in terms of or exercise any power conferred thereto under these by-laws; and/or
- (b) Any person to whom the Municipality has delegated the performance of certain rights, duties and obligations in respect of providing revenue services; and/or
- (c) Any person appointed as a service provider to provide revenue services to consumers on behalf of the Municipality, to the extent authorized in written contract entered thereto with the Municipality;

**"Authorised official"** means any official of the municipality who has been authorized by it to administer, implement and enforce the provisions of these By-Laws;

**"Basic -water supply"** means the minimum standard of water supply services necessary for the reliable supply of water to households to support life and personal hygiene, prescribed in terms of the Water Services Act under regulation 3 of Government Notice R509 of 8 June 2001, as amended from time to time, or any substitution for that regulation;

**"Council"** means the - Council of Bela Bela Local Municipality and includes any duly authorised political structure or office bearer as defined in the Local Government: Municipal Finance Management Act 56 of 2003 and/or any duly authorised official of Council and as contemplated in section 157(1) of the Constitution of the Republic of South

Africa, 1996 (Act 108 of 1996);

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**"Domestic purposes"**, in relation to the supply of water, means water supplied for drinking, ablution and culinary purposes to premises used predominantly for residential purposes;

**"Dwelling Unit"** means in interconnected suite of rooms designed for residential purposes and occupation by a single household, regardless of how many persons comprise the household.

**"Enforcement notice"** means any notice issued by a designated officer under these by-laws, which instructs the person to whom it is issued to comply with the terms of the notice, and includes a compliance notice contemplated in section 111;

**"Fixed quantity water delivery system"** means a water installation, which delivers a fixed quantity of water to a consumer in any single day;

"Household Income" means all sources of income being formal and/ or informal of nature

Including, but not restricted to, salaries, revenue generated, pensions, fixed deposits, investments, state subsidies and or grants, private financial support/contributions from outside the indigent household

**"Indigent"** means an indigent household whose total household income is as determined by Council annually during the budget process;

**"Indigent Households"** shall include all individual residing at the residential premises of the indigent debtor, inclusive of destitute indigent and indigents, by whom and for which application is made, which premises has access to municipal services;

**"Indigent Support Policy"** means the policy for the provision of indigent subsidies to qualifying indigent debtors in terms of the Council's policy relating to the following:

[a] Free basic electrify

[b] Free basic water

[c] Subsidised sewerage rates and refuses

[d] Assisted arrear debt recovery programme

As determined by Council annually during the budget process, in line with National norm and guidelines;

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**"Indigent debtor"** means the head of an indigent household, inclusive of destitute indigents, being old age pensioners, the unemployed and households with a total monthly income as determined in the Indigent Support Policy:

[a] Who applies for the provision of services from the municipality;

[b] Who makes application for indigent support in terms of these by-laws; and

[c] Who shall be regarded as the representative of all members of his/her household

**"Indigent support"** refers to the allocation from the equitable share grant and the municipality's own resources to support/ assist indigent households as determined by the Council;

**"Indigent rebate"** refers to the amount of revenue that is foregone by the municipality to the indigent households;

**"Law"** means any law, including the common law;

**"Municipality"** means the Municipality established in terms of Section 12 of the Municipal Structures Act, 117 of 1998, Provincial Notice 487 dated 22 September 2000 and includes any political structure, political office bearer, councillor, duly authorized agent thereof or any employee thereof acting in connection with this by-law by virtue of a power vested in the municipality and delegated or sub-delegated to such political structure, political office bearer, councillor, agent or employee;

**"Municipal Manager"** means the person appointed by the municipality as the

Municipal Manager or Accounting Officer of the Municipality in terms of section

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82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998 as amended), and includes any person:

- a) Acting in such a position; and
- b) To whom the Municipal Manager has delegated a power, function or duty

**"Municipal service"** means, for purposes of these by-laws, a service provided by the Municipality, and includes a refuse removal service, a water supply service, a sanitation service or an electricity service;

**" Person"** means a natural person, a local government body, a company or close corporation incorporated under any law, a body of persons, whether incorporated or not, a statutory body, an organ of state as defined in section 239 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), and the Minister of Water Affairs and Forestry, or his successor in performing his/ her function as Minister of Water Affairs, a public utility body, a voluntary association or a trust;

**"Threshold level"** refers to total combined household income that does not exceed the monthly national pensioner grant as stipulated by national treasury or, in the case of two pensioners or person dependant of grants, where the household income does not exceed that stipulated grant amount,

**"Prescribed"** means, determined by resolution of the municipal Council from time to time;

**"Prescribed tariff or charge"** means a schedule of prescribed tariff or charge;

**"Public notice"** means notice in the official languages determined by the municipality and in an appropriate medium that may include one or more of the following;

- (a) The publication of a notice -
  - (i) In a local newspaper or newspapers in the area of the municipality; or
  - (ii) In a newspaper or newspapers circulating in the area of the Municipality and determined by the municipality to be a newspaper of record; or
- (b) The broadcasting of a notice by means of radio broadcasts covering



the area of the municipality; or

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(c) The displaying of a notice at appropriate offices and pay points of the

Municipality; or

(d) The communication of the content of a notice to consumers through public meetings and ward committee meetings;

**"Subsidised service"** means a municipal service, which is provided for a consumer at an applicable charge that amounts to less than the cost of actually providing the service, and **includes a service provided for a consumer at no cost to the consumer;**

**"Systems Act"** means the Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000);

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## **1. Application for Indigent water supply services**

- (1) The Municipality recognizes its responsibilities in terms of the Municipal Systems Act, Act 32 of 2000, of ensuring that poor households have access to at least basic services through
  - (a) Tariffs that cover only operating and maintenance; or
  - (b) Special tariffs or life line tariffs for basic levels of service; or
  - (c) Any other direct or indirect method of subsidization of tariffs for poor households
- (2) Household at the poverty threshold with a gross income totalling to two pensioner grant and below per month qualify to apply for indigent status and will receive basic services subsidies.
- (3) No person will receive an indigent support unless:
  - (a) An application has been made to the Municipality on the form prescribed in terms of the Municipality's by-laws relating to Indigent household (person);
  - (b) The application form is accompanied by an affidavit which indicates the applicant's declaration that he/she qualifies to be indigent;
  - (c) In situations where the applicant is employed but still falls

below or at the threshold level, their payslip is attached to

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the application form to substantiate their indigent status;

(e) The applicant has signed the application form and will be issued with a receipt with a unique number;

(f) The application has been advertised in the daily local newspapers for at least a week and no member of the public has objected to the applicant being given an indigent status;

(g) The application for indigent status is renewed annually after the Municipality has approved the application.

(4) Indigent basic services rendered to a consumer by the municipality are subject to these by-laws and the conditions contained in the relevant policies and agreements.

(5) An application for indigent services approved by the municipality constitutes an agreement between the municipality and the applicant, and takes effect on the date referred to in the application.

(6) A person approved as an indigent will be responsible to make arrangements with Financial Officer or delegated municipal officials for the repayments of outstanding

Amounts in instances where the applicant's status changed to indigent while he had amounts still owing on his/ her account.

(7) An application form should contain at least the following minimum information -

(a) A statement by the applicant that he or she is aware of and understands the contents of the form;

(b) Acceptance by the applicant of the provisions of these By-laws, and

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acceptance of liability for the cost of services consumed above the indigent support provided;

(c) The name of the proposed consumer, and his or her identity;

(d) The address or stand number of the premises to or on which services are to be rendered

(e) The address to which accounts should be sent

(f) If water is to be supplied, the purpose for which the water is to be used;

(8) The applicant should be informed if The Municipality declines an application for the provision of an indigent service. The Municipality should furnish the applicant with the reasons therefore and, if applicable, any other information that the Municipality consider necessary to be able to approve an application to provide such a service.

## **2. PAYMENT**

### **Indigent Tariff and Support**

(a) All prescribed tariffs or charges payable in respect of indigent services rendered by the Municipality in terms of this By-Law, are determined by the Municipality in accordance with:

(i) The rates and tariff policy of the Municipality;

(ii) Any relevant by-laws; and

(iii) Any regulations under any national or provincial law.

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(b) The Council will, as part of the budgetary process, determine an indigent support that will be granted to indigent households;

(c) The amount payable by the indigent household will be determined follows:

Service tariffs	xxxx
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Property Rates	xxxx
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Less: Indigent Support	(xxx)
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<b>Amount payable</b>	<b>xxx</b>
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Should the calculation of the amount payable results in a negative figure, only the amount of the indigent support will be granted;

(d) The Council will determine the indigent support from time to time based on the equitable share received from the National Government;

(e) Should a person who qualifies for indigent assistance be unable to pay the amount due by him/her, the person's circumstances will be considered and brought before Council before any debt collection action is instituted;

### 3. ACCOUNTS

Monthly accounts will be rendered to consumers and will indicate the following information:

(a) Details of the ageing (30, 60, 90 days, etc) of the account;

(b) Payments made so far;

(c) Charge for the current month;

(d) Indigent support granted;

(e) Total amount outstanding;

(f) The final due date for payment;

An indigent consumer is only entitled to basic water supply services and will be liable for payment in respect of services used in excess of the quantity of basic services.

#### **4. INDIGENT SUPPORT POLICY**

The Council shall adopt an Indigent Policy, which shall embody and provide procedures and guidelines for the subsidisation of basic services and tariff charges to indigent households in its municipal area.

*The object of the Indigent Policy shall be to ensure:*

- [a] The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council; and
- [b] The provision of procedures and guidelines for the subsidisation of basic service charges to indigent households.

*Guiding Principles*

*The following guiding principles shall be contained in the Indigent Policy:*

- [a] Relief will be provided by the Council to registered residential consumers of services who are declared destitute and/or indigent by the Council, but subject to the condition that such indigent consumers make a financial contribution towards the cost of the services provided by the Council to them on such basis determined by the Council;
- [b] The Council shall, wherever possible, ensure that any relief provided in terms of this bylaw and its policy is constitutional, practical, fair, equitable and justifiable in order to avoid the alienation of any group of households;
- [c] Differentiation between residential consumers shall, in accordance with the By-laws, Policies and resolutions of the Council and legislation, be permitted;
- [d] Differentiation shall also be permitted in respect of the level of service provided

to or to be provided to indigent households;

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[e] The application of the indigent support for minimum service levels should not result in the creation of a massive bureaucratic administration that would not be cost effective to implement;

[f] A differentiation shall be made between those households who cannot afford to pay for basic services and those households who refuse to pay for such services;

[g] The payment for services rendered should be affordable for the indigent;

[h] The indigent support policy will apply during each municipal financial year;

[i] Financial support to the indigent will be dependent upon the availability of funds to enable the Council to provide such support;

[j] The Council shall, annually, review and amend the qualification criteria for indigent support provided by it if and when necessary;

[k] The collective or joint gross income of members of indigent households will always be taken into account to determine the level of financial support to be granted to indigent households;

[l] Indigent households must formally apply on the prescribed application form for indigent support and will qualify for such support according to prescribed criteria/principles to be laid down by the Council;

[m] The household income must be correctly reflected on the application form requesting indigent support;

[n] The applicant who signs the prescribed application form shall be regarded as the indigent

Debtor and a representative of the indigent household;

[o] after the application form for indigent support has been completed by an indigent debtor it shall be assessed in terms of the policy;

[p] All approved indigent debtors should be registered on the municipal Indigent database system;

[q] The onus will be on the approved indigent debtor to inform the Council of any change in his/ her status or personal household circumstances;

[r] All indigent households should be re-evaluated annually or such period as the Council may determine to assess the provision of continued basic services and indigent support to them;-

[s] Disciplinary measures decided by the Council should be imposed on indigent debtors who misuse the indigent support policy of the Council and/or provide incorrect information to the Municipality;

[t] An approved community communications programme, embodying the principles of transparency and fairness, must be implemented in respect of the indigent support policy; and-

[u] Skills Training and other education related programmes should be supported to develop the indigent to become self - sufficient and thereby reduce the rate of indigence.

#### Qualification, Acceptance and Registration Criteria

The qualification, acceptance and registration criteria for indigent support and the services qualifying for such support shall be determined by Council Policy as reviewed annually during the budget process.

### **5. PROVISION OF INDIGENT SUPPORT SUBSIDIES**

Indigent Subsidies will be provided by the Council on the following basis:

[a] Relief will only be provided to those indigent households who apply and qualify thereof;

[b] The relief must be significant so as to relieve the recipient of an indigent support from the financial hardship of paying fully for services received from the Municipality for a specific period;[c] All registered indigents will be granted subsidies on services and property rates levied;

[d] The indigent will receive a monthly account, which will reflect the amount due



and payable;

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[e] The indigent will only be billed on the system;

[f] The subsidised amount will be reflected against the indigent support vote.

[g] Subject to annual resubmission by the applicant of the application to Council on the date as determined by Council.

## **6. INDIGENT STATUS**

The Council shall not amend, alter, withdraw, or suspend in terms of these by-laws and its policy the indigent households status without first having forwarded notification thereof to the said indigent household.

## **7. SPECIAL TARIFF FOR SERVICES**

The Council may determine the extent of the support for indigent households, subject to the availability of funds and compliance with prescribed criteria for municipal services and amenities.

## **8. RESPONSIBILITIES OF MUNICIPAL MANAGER**

It shall be the responsibility of the Municipal Manager:

[a] To create, maintain and update a register of all debtors receiving indigent subsidies from the Council in terms of these by-laws;

[b] To reflect the indigent status of debtors in the accounting records of the Municipality;

[c] To advise and keep indigent debtors informed of the approval, amendment, suspension or withdrawal of an application for indigent support in terms of these by-laws and the conditions under which such support will be granted, including the renewal of indigent support applications; [d] To report any instances of misuse of the Council's Indigent Policy to the Council for its attention in terms of these by-laws;

[e] To report at regular intervals as may be required by Council on the progress or

otherwise of the implementation of the Council's Indigent Support Programme;

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and.

[f] To publish a copy of these by-laws, policy and any amendments thereto on the official website of the municipality.

#### **9. BUDGETING FOR INDIGENT SUPPORT**

The Council must annually budget for the total indigent support to be granted to indigent debtors in terms of these by-laws. Such amount must, upon approval of the budget of the Council, be reflected against a separate vote in the name of indigent support.

The total value of indigent subsidies for all subsidised services must be reflected against such indigent support vote on a monthly basis.

#### **10. REVIEW AND AMENDMENT OF INDIGENT SUPPORT POLICY**

The Council has the discretionary power to amend any clause, stipulation or tariff embodied in its Indigent Support Policy in the interests of all the parties concerned at the annual budgetary review of Council policies in conjunction with the consideration of the annual budget of the Council.

The Indigent Support Policy adopted in terms of these by-laws shall be regarded as a budget-related policy and be reviewed on an annual basis by the Council during the annual budget review. Any amendment thereto shall be considered and adopted in conjunction with the adoption of the annual budget of the Council.

#### **11. OFFENCES**

Any indigent household who-

[a] Obstructs or hinders the Council in the exercise of its powers or performance of functions or duties under these by-laws;

[b] Uses or interferes with Council equipment or consumption of services supplied;

[c] Tampers or breaks any seal on any meter installed, or with the water restrictor system installed or on any equipment belonging to the Council, or for any reason as

determined by the Chief Financial Officer causes interference with the service provision

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and the service used;

[d] Furnishes misleading information knowing it to be false or misleading; [e] Contravenes or fails to comply with a provision of these by-laws;

shall be guilty of an offence and be liable upon conviction to a fine or to imprisonment for a period not exceeding three months or both. Such a fine and imprisonment and, in addition, may be charged for usage, as estimated by the Chief Financial Officer based on average usage during the previous six months or as may be determined by resolution of the Council from time to time.

## **12. NOTICES AND DOCUMENTS**

[a] A notice or document issued by the Council in terms of these by-law shall be deemed to be duly issued if signed by an employee duly authorized by the Council.

[b] If a notice is to be served on a person in terms of these by-laws, such service shall be effected by:

[i] Delivering the notice to him/ her personally;

[ii] Delivering the notice at his/ her residence or to a person apparently not less than sixteen years of age and apparently residing or employed there;

[iii] If he/ she has nominated an address for legal purposes, by delivering the notice to such an address; or

[iv] A Registered or certified post addressed to his/ her last known address;

[v] If service cannot be effected in terms of the aforesaid sub-sections, by affixing it to the principal door of entry to the premises, or displaying it on a conspicuous place on the land

### **Authentication of Documents**

[a] Every order, notice or other document requiring authentication by the Council shall be sufficiently authenticated, if signed by the Municipal Manager or by a duly authorized employee of the Council;

[b] Delivery of a copy of the document shall be deemed to be delivery of the

original.

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### **13. RESPONSIBILITY OF COMPLIANCE WITH THESE BY-LAWS**

The indigent debtor is responsible for ensuring compliance with these by-laws in respect of all or any matters relating to the indigent support granted. The indigent debtor is responsible for compliance with these by-laws and policy in respect of matter relating to the use of any water, electricity, sanitation installation and other services provided by Council.

### **14. AVAILABILITY OF BY-LAWS**

[a] A copy of these by-laws shall be included in the municipalities Municipal Code as required in terms of section 15 of the Municipal Systems Act, No 32 of 2000 and shall be displayed on the official website of the municipality;

[b] A copy of these by-laws shall be available for inspection at the municipal offices at all reasonable times; and

[c] A copy of the by-laws may be obtained against payment of a prescribed fee from the Council.

### **15. APPEALS AGAINST DECISIONS OF THE COUNCIL**

An indigent household, whose application has been declined, may appeal against such decision which appeal procedure shall be laid down within the policy.

### **16. CONFLICT OF BY-LAWS**

If there is any conflict between these by-laws and any other by-law of the Council, the Credit Control and Debt Collection by-law will prevail if applicable failing which these by-laws will prevail. These by-laws must be read in conjunction with the Credit Control and Debt Collection by-law.

### **17. SHORT TITLE AND COMMENCEMENT**

This By-Law is called the Indigent Support By-law of the Bela-Bela Local Municipality and shall come to force and effect upon promulgation in the government gazette.

**~~18. REPEAL OF COUNCIL INDIGENT SUPPORT BY-LAW~~**

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The provisions of any by-law or by-laws relating to the provision of indigent support subsidies to qualifying indigent debtors by the administrative unit of the Council are hereby repealed.