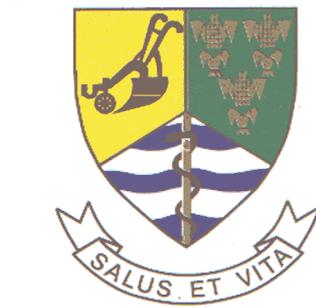


# **BELA-BELA LOCAL MUNICIPALITY**



## **TARIFFS BY-LAW**

**2018/2019**

## **DRAFT**

### **TARIFF BY-LAW**

The Municipal Manager of Bela Bela Local Municipality acting in terms 13(a) of the Local Government: Municipal Systems Act, 2000 ( No.32 of 2000) hereby publishes the Municipal Tariff Law for the Municipality as approved by Council as set out hereunder.

#### **Preamble**

**WHEREAS** section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipal council to adopt and implement a tariff policy on the levying of fees for municipal services;

**AND WHEREAS** the tariff policy must reflect at least the principles set out in section 74(2);

**AND WHEREAS** the tariff policy may differentiate between different categories of users, debtor, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination;

**AND WHEREAS** section 75 of the Local Government: Municipal Systems Act, 2000 provides that by-laws must be adopted to give effect to the implementation and enforcement of the tariff policy, to levy and recover fees, charges and tariffs;

**WHEREAS** Section 75A of the Local Government: Systems Act, 2000 (Act 32 of 2000) authorizes a municipality to levy and recover fees, charges or tariffs in respect of any function or service of the municipality, and to recover collection charges and interest on any outstanding amount;

**AND WHEREAS** section 64 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) provides that a municipality must have an effective revenue collection system and ensure that revenue is collected regularly to meet the requirements and practices of sound financial administration;

**NOW THEREFORE** be it enacted by the municipal council of the Bela Bela Local Municipality as follows:

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## Chapter 1

### 1. Definitions

In these by-law, unless the context indicates otherwise

“**municipal council**” or council means Bela-Bela Municipal council;

“**municipality**” means Bela-Bela Local Municipality established in terms of section 12 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

“**tariff**” means fees and charges levied by the municipality in respect of any function or service provided by the municipality to the local community , and includes a surcharge on such tariff but excludes the levying of rates by the Municipality in terms of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004); and

“**the act**” means the Local Government; Municipal System Act, of 2000 (Act 32 of 2000).

“**Basic municipal services**” shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment.

“**Domestic consumer or user**” of municipal services shall mean the person or household which municipal services are rendered in respect of “residential property” as defined below.

“**Municipal service**” has the meaning assigned to it in terms of Section 1 of the Municipal Systems Act.

“**Occupier**” in relation to a property, shall mean a person in actual occupation of the property, whether or not that person has a right to occupy the property.

## Chapter 2

### 1. Purpose

- a) The purposes of these by-law is to give effect to the implementation and enforcement of the tariff policy of the municipality as outlined in section 75 of the act.

### 2. Guiding principles in the determination of tariffs

In the determination of tariffs the council shall be guided by the following principles:

- a) Tariffs shall be equitable and affordable in that amount due for municipal services generally be in proportion to their use of that service.
- b) Tariffs shall support national macro-economic policies and shall incorporate visions, strategies and economic policies of the Republic of South Africa.

- c) Tariffs shall be cost effective and cost reflective and should reflect the cost reasonably associated with rendering the municipal services, including capital, operating, maintenance, administration, replacement costs and financing charges.
- d) Tariffs shall promote the sustainability of the provision of municipal services.

### **3. Application of By-Law**

This by-law shall only apply to tariffs applicable to the municipality

Fees, surcharges on fees, charges and tariffs in respect of municipal services such as

- a) Provision of water;
- b) sanitation;
- c) refuse removal;
- d) electricity consumption
- e) municipal service provided through prepaid meters
- f) all other related costs for services rendered in terms of the service
- g) Interest which has accrued or will accrue in respect of payment due and payable to council
- h) Any other services that the municipality supply.

### **4. Services**

- (1) Where a service is provided primarily for the benefit of an individual user and the actual service or consumption can be accurately measured, the cost of providing the service should be recovered from the individual by means of tariffs.
- (2) When a service connection is made, a sundry tariff should be used and when a metered amount of service is consumed, a consumption based tariff should be used.
- (3) Some services, although provided primarily for the benefit of individual users and have important community benefits, particularly where these services cannot be accurately measured, the cost of the service should be recovered by combination of tariffs and rates.
- (4) Where service is provided primarily for the benefit of the community and an individual's benefit cannot be accurately measured, the cost of providing the service should be recovered by means of rates and the rates must comply with the municipal rates policy.

### **5. Tariffs**

- (1) Municipal tariffs shall be determined and adjusted by the council from time to time after having followed all necessary procedures.

## **6. Indigent households**

- (1) The Council shall annually together with its annual budget, review an indigent policy to determine criteria for the determination of indigent households.
- (2) The criteria referred to in subsection (1) shall take into account:
  - a) the total income of consumers of municipal services residing on the property to which municipal services is rendered;
- (3) The council may include in its indigent policy a sliding scale according to which the quantity of basic municipal services provided free of charge or at a subsidized tariff to a poor household is limited in relation approved indigent household.
- (4) A user shall qualify for the benefits of a poor household with council in terms of its indigent policy only if such user has applied to be registered as a poor household and approved by council.

## **7. General power to levy and recover fees, charges and tariffs**

- (1) The municipality has the power to-
  - (a) levy and recovers fees ,charges or tariffs in respect of any function or service of the municipality ;and
  - (b) Recover collection charges and interest on any outstanding amount.
- (2) Fees, charges and tariffs referred to in subsection (1) are levied by resolution passed by the municipal council with a supporting vote of majority of its members.

## **8. Repeal**

## **9. Short Title and commencement**

This by-law is called the Bela Bela Local Municipality Tariff by-law and it shall come into effective from the date of publication in the *Provincial gazette*.