

**“The City of Heritage”**



**Ulundi  
Local Municipality**

***Credit Control &  
Debt Collection Policy  
& Procedures***

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## **GLOSSARY OF TERMS**

<b>“AC”:</b>	Standard reference for South African Generally Recognised Accounting Statement
<b>“ULM”:</b>	Ulundi Local Municipality
<b>“AO”:</b>	Accounting Officer (i.e. Municipal Manager)
<b>“CFO”:</b>	Chief Financial Officer
<b>“GAMAP”:</b>	Generally Accepted Municipal Accounting Practice
<b>“GRAP”:</b>	Generally Recognised Accounting Practice
<b>“HOD”:</b>	Head of Department
<b>“IAS”:</b>	International Accounting Practice
<b>“MFMA”:</b>	Municipal Finance Management Act (No. 56 of 2003)
<b>“MM”:</b>	Municipal Manager (i.e. Accounting Officer)
<b>“MSA”:</b>	Municipal Systems Act (No. 32 of 2000)

## **1 PREAMBLE**

- 1.1 Whereas Section 96 of the Local Government: Municipal Systems Act (MSA), Act 32 of 2000, requires a municipality to adopt, maintain and implement a Credit Control and Debt Collection Policy,
- 1.2 And whereas Section 97 of the MSA prescribes what such policy must provide for,
- 1.3 Now therefore, the Municipal Council of the Ulundi Local Municipality adopts this policy.

## **2 OBJECT**

- 2.1 The object of this policy is to:
- (a) Focus on all outstanding debt as raised on the debtor's account.
  - (b) Provide for a common credit control and debt collection policy.
  - (c) Promote a culture of good payment habits amongst debtors and instil a sense of responsibility towards the payment of accounts and reducing municipal debt.
  - (d) subject to the principles provided for in this policy, use innovative, cost-effective, efficient and appropriate methods to collect as much of the debt in the shortest possible time without any interference in the process; and.
  - (e) Effectively and efficiently deal with defaulters in accordance with the terms and conditions of this policy.

## **3 DEFINITIONS**

<b>TERM</b>	<b>DETAIL</b>
<b>Act</b>	The Local Government Act: Municipal Systems Act, 2000 (Act 32 of 2000) as amended.
<b>3<sup>rd</sup> Parties Debt Collection Agencies</b>	Means any person or juristic person that collects debt on behalf of the Municipal.
<b>“Administration of Estates Act”</b>	means the Administration of Estates Act, 66 of 1965
<b>“advanced collection”</b>	means any estimated amount that will be collected as a security for any debt, inclusive of any estimated tenant debt, that may accumulate against the property during the validity period of a certificate issued in terms of section 118 of the Systems Act.
<b>“child-headed household”</b>	Means a household where all the occupants of a residential property are younger than 18 years old. A child-headed household is a household consisting only of children
<b>“Municipality”</b>	means the Ulundi Local Municipality
<b>“dispute”</b>	means a dispute as referred to in section 102 (2) of the Municipal Systems Act as read with item 7 of this policy
<b>“MFMA”</b>	means the Local Government: Municipal Finance Management Act, 56 of 2003
<b>“household income of a</b>	means the total gross income of both the debtor and the debtor's spouse or

TERM	DETAIL
<b>housing debtor</b>	partner and (20) twenty percent of the gross income of any other person living in or on the premises
<b>“income”</b>	Means the gross household income from all sources such as salaries, wages, dividends, pensions, grants, support, rentals, board and lodging, interest received donations and any other form of financial support, received by every person residing on the property.
<b>“indigent relief”</b>	Means the applicable indigent relief as determined by Council from time to time.
<b>“Insolvency Act”</b>	means the Insolvency Act, No. 24 of 1936
<b>“municipal valuation”</b>	means the value of the property as determined in terms of the Property Rates Act
<b>“prepayment meter”</b>	means any meter that can be programmed to allow the flow of a pre-purchased amount of energy in an electrical circuit or a pre-purchased amount of water supplied through a water meter
<b>“prepayment meter”</b>	<b>electricity</b> means a meter that can be programmed to allow the flow of a pre-purchased amount of energy in an electrical circuit
<b>“prepayment meter”</b>	<b>water</b> means any meter that can be programmed to allow the flow of a pre-purchased amount of water to be supplied through a water meter
<b>“property”</b>	means— (a) immovable property registered in the name of a person, and includes a unit as defined in section 1 of the Sectional Titles Act, 1986 (Act No. 95 of 1986); or (b) a right registered against immovable property in the name of a person
<b>“Property Rates Act”</b>	means the Local Government: Municipal Property Rates Act, 6 of 2004
<b>“rate” or “rates”</b>	means a municipal rate as defined in section 1 of the Property Rates Act and includes any additional rates on property as envisaged in section 19 (1) (d) and section 22 of the Property Rates Act
<b>“sundry”</b>	means any sundry debt raised on a municipal account
<b>“Supply Chain Management Policy”</b>	means the Ulundi Local Municipality: Supply Chain Management Policy
<b>Defaulter</b>	A person who owes money to the Municipality after due date has expired.

## **4 PRINCIPLES AND GUIDELINES**

4.1 This policy takes into account the following principles and guidelines:

- (a) human dignity must be upheld at all times;
- (b) this policy must be implemented in accordance with equity, fairness and consistency;
- (c) every reasonable effort should be made to ensure that details related to the debt and the account of the debtor are correct at all times;
- (d) the Municipal Manager may treat any debt, and arrangements to repay arrears holistically, but different repayment periods or methods may be determined for different types of service, debtors or areas within the general rule that the repayment period should take into consideration the financial capacity of the debtor;
- (e) the implementation of this policy is based on sound business practices and applicable legislation;
- (f) New applications for services will be subject to prescribed credit information and outstanding amounts may be transferred to the new account. All information furnished on the application form may be verified by the Municipal with any or all data information institutions, credit information bureaux and any financial institutions as may be deemed necessary by the Municipal in determining the applicant's credit worthiness. The Municipal reserves its rights to share bad payment behaviour in a responsible manner with the aforesaid institutions, should it become necessary to do so, as determined from time to time;
- (g) where alternatives are available the Municipal may provide reduced levels of service to manage the debt growth;
- (h) debtors may be referred to 3rd party debt collection agencies and may be placed on the National Credit Rating List;
- (i) If an account is not paid by the due date, at least 30 (thirty) days will be allowed to elapse before interest is charged. Interest will be equivalent to a full month from this date for each month, or part thereof, that the account is overdue; or unless specifically provided for in other agreements;
- (j) for purposes of an arrangement a debtor may be required to co-operate with any reasonable measures that might be required to reduce their level of use of consumable services to affordable levels
- (k) the terms and conditions as contained in any prescribed form or document utilised in implementing this policy, forms part of this policy and are incorporated therein as specifically stated;
- (l) Debtors, who pay their accounts by means of a credit card transaction, and where the value of the payment is R4, 000.00 or more, or an amount as determined by Council when determining tariffs, will be liable for the cost of the transaction as passed on to the Municipal by the financial institution.
- (m) The suspension of any debt management action, when interrupted for whatever reason, shall, where practical, continue from the previous action taken.
- (n) Service of documents and processes may be in accordance with section 115 of Systems Act.
- (o) All legal costs, including attorney-and-own-client costs incurred in the recovery of arrears, shall be levied against the debtors account.
- (p) where a company, closed corporation, trust in terms of the Trust Property Control Act No. 57 of 1988, home owners association or a body corporate in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986), is indebted to this Municipality, the liability for such arrears may be extended to the directors, members or trustees thereof jointly and severally; and
- (q) the directors, members or trustees thereof shall be considered to have provided this Municipal with a guarantee that such debt shall be recoverable from themselves in their personal capacity with each being jointly and severally liable for such debt, the one paying the other to be absolved;

- (r) where any subsidiary company of a holding company is indebted to this Municipal, the liability for such arrears may be extended to the holding company; and
- (s) where any holding company is indebted to this Municipal, the liability for such arrears may be extended to any subsidiary company;
- (t) notwithstanding anything contained in this policy the Municipal Manager may recover any debt incurred at a property as set out in section 118 (3) of the Systems Act, from the owner of that property; and
- (u) Any reference to any rand value or measured quantity as reflected in this policy may be determined or amended by Council from time to time.

#### *Misrepresentation*

- 4.2 Debtors found to have misrepresented themselves in order to benefit from any of the Municipal's relief or any benefit will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all relief or any benefits that have been received, will be reversed by the Municipal Manager; and
- (a) any person who has received any benefit or relief in terms of this policy and who has misrepresented themselves in order to qualify for such benefit or relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all benefits or relief received, will be reversed by the Municipal Manager; and
  - (b) The Municipal Manager shall report any misrepresentation in terms of this policy to the South African Police Services.

## **5 EMPLOYER DEDUCTIONS**

- 5.1 Whenever an agreement in terms of section 8, of the Municipal of Ulundi: Credit Control and Debt Collection By-law, is concluded with an employer the Municipal may pay a commission to the employer, the amount of which will be determined from time to time.

## **6 COUNCILLOR AND MUNICIPAL STAFF ARREARS**

- 6.1 Staff arrears will be dealt with in terms of item 10 of Schedule 2 to the Systems Act and in terms of any procedures, method or actions referred to in this policy. Notwithstanding any other procedure, method or action that may be taken in terms of this policy, the Municipal Manager shall deduct any outstanding amount from such staff members' salary after the 3 (three) month period referred to in item 10 of Schedule 2 to the Systems Act, has elapsed; or
- (a) Notwithstanding sub-item 5 (1) the Municipal Manager shall deduct any outstanding amount from such staff members' salary after a period of not more than 2 (two) months from the due date thereof.
- 6.2 In accordance with Schedule 1, item 12A of the Systems Act, a Councillor of the Municipal may not be more than 3 (three) months in arrears for municipal service fees, surcharges on fees, rates or any other municipal taxes, levies and duties levied by the Municipal. Notwithstanding any other procedure, method or action that may be taken in terms of this policy, the Municipal Manager shall deduct any outstanding amount from such Councillor's remuneration after this 3 (three) month period has elapsed; or
- (a) Notwithstanding sub-item 5 (2) the Municipal Manager shall deduct any outstanding amount from such Councillor's remuneration after a period of not more than 2 (two) months from the due date thereof.



## **7 CREDIT CONTROL**

- 7.1 All new applications for the provision of a service may be subject to the payment of a deposit based on the applicant's municipal payment record with a minimum deposit as per the tariff.
- 7.2 Any adjustment to the basic deposit will be determined by the debtor's municipal payment record.
- 7.3 The applicant may be required to undergo a full credit check in an endeavour to trace all debt inclusive of municipal debt owed by the applicant. This will require the provision of, inter alia, acceptable means of identification and if applicable, the binding lease agreement, title deed and other relevant supporting documentation as required by the Municipal from time to time. The relevant application form as approved by the Municipal from time to time forms an integral part of this policy insofar as the contents of such application form are not in conflict with any of the provisions of this policy.
- 7.4 Application for services for businesses, including but not limited to, trusts, companies, close corporations, partnerships, sole proprietors and government institutions should be approved subject to the provisions of sub-items (1) to (3) above. The application must include the submission of a resolution delegating authority to the applicant and furnishing, if applicable, the business entity's registration number or Trust Reference Number with the Master of the High Court. The names, addresses and all relevant contact particulars of all the business's directors or members or trustees or proprietors or partners must be submitted with the resolution. The relevant application form as approved by the Municipal from time to time forms an integral part of this policy insofar as the contents of such application form are not in conflict with any of the provisions of this policy.
- 7.5 The Municipality shall not conduct any business activity with or provide any services to any persons who are in arrears with municipal accounts except as provided for in legislation or policy and as determined by the Municipal from time to time, nor will any refunds of credits be made to any debtor or any debtor's nominee who is in arrears with their Municipal account.

7.6 Contract guarantees

(a) *Introduction*

In terms of the Supply Chain Management Policy, compiled in terms of section 111 of the Finance Management Act, financial guarantees may be required on behalf of contractors to secure certain performance and advance payment obligations of a contractor.

(b) The Municipal Manager may accept a contract guarantee from a registered bank or insurance company having one of the following ratings from the credit rating agencies indicated:

(i) Banks: a short term rating of F1 (Fitch Ratings), A1 (Global Credit Rating Co.) or Prime-1 (Moody's).

(ii) Insurers: a claims paying ability rating of A- or above from Global Credit Rating, or A3 or above from Moody's.

(c) A 100% cash deposit may be accepted as a contract guarantee in lieu of a paper guarantee; and

(i) No interest will be payable while the deposit is held by the Municipal.

(d) The Municipal Manager may add or delete, temporarily or permanently, the name of a financial institution to or from the list of approved guarantee providers, notwithstanding the absence or presence of an acceptable credit rating, if he or she is satisfied or unsatisfied as to its credit worthiness in a particular instance.

(e) The list of financial institutions referred to in sub-item (d) above shall be posted on the Municipal's website.

(f) The format of the guarantee, as referred to in this sub-item, shall be as approved by Council and forms part of this policy.

(g) A guarantee shall exclude a suretyship.

7.7 Service guarantees

(a) *Introduction*

(b) In terms of this policy deposits should be made by way of cash payments. Council however recognises that for large and very large electricity users guarantees may be accepted in place of cash deposits.

(c) The Municipal Manager may accept a service guarantee as provided for in this sub-item.

(d) Item 6, (6), (b) to (g) read with the necessary changes as the context may require, apply to the conditions of service guarantees.

7.8 Rental guarantees

(a) The Municipal Manager may accept a guarantee for deposits in terms of a lease agreement as provided for in this sub-item.

(b) Sub-item (6), (b) to (g) read with the necessary changes as the context may require, apply to the conditions of rental guarantees.

7.9 Guarantees against potential damages

- (a) The Municipal Manager may accept a guarantee against potential damages to the Municipal for any reason. Sub-item (6), (b) to (g) read with the necessary changes as the context may require, apply to guarantees against potential damages.

## **8 QUERY, VERIFY OR DISPUTE**

8.1 Query or verify

- (a) In this sub-item to query or verify an account refers to the instance when a debtor queries any specific amount or any content contained in any account as rendered by the Municipal to that person as per the process contained herein;
- (b) any query can be raised orally in person at any walk in centre, via the Municipal's Call Centre or by way of correspondence;
- (c) when a debtor queries an account such debtor must furnish full personal particulars including any acceptable means of identification, all account numbers held with the Municipal, direct contact telephone numbers, fax numbers, postal and e-mail addresses and any other relevant particulars required by the Municipal;
- (d) a debtor may be represented by a duly appointed nominee or agent; and such nominee or agent shall, upon request, produce sufficient proof of such appointment;
- (e) notwithstanding any query on any account the account must still be paid, in terms of the provisions contained in this policy, pending the outcome of the query;
- (f) any person who is querying the whereabouts of any account not received shall receive prompt and efficient assistance;
- (g) all queries shall be dealt with as promptly and efficiently as possible by the Municipal;
- (h) should a debtor not be satisfied with the outcome of the query, a debtor may lodge an appeal in terms of section 62, as read with section 95 (f), of the Systems Act;
- (i) the onus will be on the debtor to ensure that a written acknowledgement of receipt is received for any correspondence lodged with the Municipal; and
- (j) The onus will be on the debtor to ensure that a suitable response to any query is received.

8.2 Dispute

- (a) In this sub-item a "dispute" refers to the instance when a debtor disputes any specific amount claimed by the Municipal from that person.
- (b) any person who has a dispute with this Municipal has a right, in terms of section 34 of the Constitution, to have any dispute that can be resolved by application of law decided in a fair public hearing before a court or, where appropriate, another independent or impartial tribunal or forum;
- (c) where the dispute process has been implemented in terms of sub-item (2) (b), section 102 (2) of the Systems Act will be applicable;
- (d) the Municipal Manager has a right to declare a dispute on any specific amount claimed by the Municipal from any person as may be considered necessary; and
- (e) Disputes lodged with the Municipal prior to the implementation of this policy, in terms of any previous policy, shall continue to be dealt with in terms of that policy.

8.3 General

- (a) The Municipal Manager may require that any official attend any meeting in order to assist with the investigation relating to the facts surrounding any query, verification of any account or any dispute; and

- (b) The Municipal Manager has the right to call for any document, book, and computer data or record which in his or her sole discretion is deemed necessary to assist in attempting to deal with any issue referred to in this policy.

## **9 ACCOUNTS**

- 9.1 This Municipal, in terms of section 102 (a) of the Systems Act, together with the Municipal Manager, in terms of section 15 of the Municipal of Ulundi: Credit Control and Debt Collection By-law, considers all separate accounts of a person liable for payment to this Municipal, to be consolidated, regardless of the fact that separate accounts for such debtor may be rendered, and includes all pre-paid services for which no account is rendered.
- 9.2 (2) All separate accounts of a debtor shall for the purpose of this policy be considered consolidated and shall, for the purpose of this policy, be treated holistically.
- 9.3 Subject to section 118 (1) of the Systems Act payment of any undisputed debt, in terms of section 7, of the Municipal of Ulundi's Credit Control and Debt Collection By-law, will firstly be allocated to the debtors account as follows-
  - (a) allocation to down payments; then
  - (b) allocation to cash security deposits; then
  - (c) allocation to penalty fees (e.g. RD charges); then
  - (d) payments received via third party receipting will always be allocated as per sub-item (e) below; then
  - (e) if there is a partial payment the allocation shall be as follows-
    - (i) Payments are allocated from oldest debt to youngest debt until all debt is paid.
  - (f) A debtor may make a payment at a municipal cashier, which has the facility to allocate the payment. The payment will then be allocated as specified and any overpayments will be allocated as per sub-item (3) where applicable.
  - (g) Subject to section 118 (1) of the Systems Act the Municipal Manager has the right to offset any credit, or any amount due to a debtor, against any debit pertaining to that same debtor; or
    - (i) To transfer any debt to another account of that same debtor.
  - (h) The Municipal Manager has the right to transfer any property debt owed by a tenant to that same registered owners account, in terms of section 118 (3) of the Systems Act.
  - (i) The Municipal Manager may apply any of the credit control and debt collection measures, contained in this policy, with the relevant changes that the context may require, for any debt.

## **10 IRRECOVERABLE DEBT**

### **10.1 Criteria for irrecoverable debt**

- 1. Debt will only be considered as irrecoverable if it complies with one or more of the following criteria:
  - (a) all reasonable notifications and cost-effective legal avenues have been exhausted to recover a specific outstanding amount; or
  - (b) any amount equal to or less than R500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it; or
  - (c) the cost to recover the debt does not warrant further action; or

- (d) the amount outstanding relating to insolvency;
  - i. is the residue after payment of a dividend in the rand from an insolvent estate;  
or
  - ii. there is a danger of a contribution;
  - iii. no dividend will accrue to creditors; or
  - iv. There are insufficient funds to cover any preference afforded by section 118 (3) of the Systems Act.
- (e) the amount outstanding relating to a deceased estate;
  - i. has no liquid assets to cover the outstanding amount following the final distribution of the estate; or
  - ii. Where the estate has not been reported to the Master and there are no assets of value to attach.
- (f) it has been proven that the debt has prescribed;
- (g) the debtor is untraceable or cannot be identified so as to proceed with further action;
  - i. The debtor has emigrated leaving no assets of value to cost-effectively recover Councils claim.
- (h) it is not possible to prove the debt outstanding; or
  - i. a court has ruled that the claim is not recoverable;
  - ii. the claim is subject to any order of court;
  - iii. the claim is subject to an out of court settlement agreement; or
  - iv. the debt is subject to a settlement in terms of section 109 of the Systems Act;  
or
- (i) the outstanding amount is;
  - i. due to an irreconcilable administrative error by the Municipal;
  - ii. as a result of an administration error; or

#### 10.2 *Sporting bodies and community organisations*

1. where registered sporting bodies and community organisations would qualify to receive a 100% rates rebate, in terms of the Rates Policy, or in instances where such sporting bodies or community organisations occupy Council land and are not liable for the payment of rates, except for there being arrears on their Municipal's accounts; will with effect from the date of qualification, have all their arrears written off, thus ensuring that they meet all the criteria to receive the rates rebate; provided that:
  - (a) this assistance will only be granted once to an organisation subject to the condition that a prepayment electricity meter and a water management device or a prepayment water meter must be installed, where applicable;
  - (b) should any tampering with or bypassing of the water and electricity meters be discovered, any arrears written-off, in terms of this sub-item, will become payable with immediate effect and any other action as per any legislation or policy that applies to such tampering and/or bypassing will be instituted;
  - (c) should the Municipal Manager become aware that the focus of the organisation has changed, or its financial position has improved or its registration as a sporting body or community organisation has lapsed or terminated within three years after the arrears were written-off, such arrears will become payable with immediate effect;
  - (d) the body or organisation referred to in sub-item (v) must:
    - i. Have a constitution which does not preclude any resident of Ulundi from being a member of the said body or organisation;
    - ii. Not be a profit making body or organisation;
    - iii. when winding up its affairs leave all its assets to a similar body or organisation;

- iv. Promote the values and purpose of the body or organisation as set out in the respective constitution; and
  - v. Use its funds for the sole benefit of the body or organisation or the greater community of Ulundi; and
  - vi. where any land including any improvements thereon has been donated, transferred, or sold either by the Municipal or to the Municipal by any person, organisation, association, trust, close corporation or company and such property is reclaimed, donated, transferred, forfeited or purchased by the Municipal then all the arrears will be written off to facilitate transfer thereof; and
- i. Notwithstanding sub-item (w) nothing in this sub- item shall preclude the subsequent collection by the Municipal of any amount so written-off.

### 10.3 *Authorisation*

1. In respect of other debt, schedules indicating the debtor account number, the debtor's name, the physical address in respect of which the debt was raised, address, Erf number, if applicable, amount per account category as well as a reason to write-off the amount must be compiled.
2. Notwithstanding the above, the Municipal or its authorised officials will be under no obligation to write-off any particular debt and will always retain sole discretion to do so.
3. Where a debt has been written off in terms of item 9, and where applicable, the Municipal Manager shall have a right to offset any credit against any such debt written off, for the same debtor.

## **11 RATES AND SERVICES**

### 11.1 Rates

1. The following provisions apply to rates and any levies:
  - (a) interest shall be charged on all overdue accounts;
  - (b) if the account is not paid by the due date as displayed on the account the Municipal Manager may issue any notice in terms of this policy showing the total amount owed to the Municipality;
  - (c) if the account is not settled or there is no response from the debtor to make acceptable arrangements to repay the debt:
    - i. the supply of any service to the property may be restricted, disconnected, or discontinued in terms of section 9 and 10 of the Credit Control and Debt Collection By-law and items 8 (7) and 11 of this policy; and
    - ii. A debtor who owns multiple properties may suffer disconnection of services at any of his/her property as shall be determined by the municipality.
    - iii. irrespective of the exercise of the powers by the Municipal Manager in terms of section 9 and 10 of the Credit Control and Debt Collection By-law and sections 8 (7) and 11 of this policy summons may be issued and the legal process followed.
2. In instances where the rates debt is in respect of municipal property sold by suspensive sale agreement, the collection thereof will be dealt with in terms of the relevant deed of sale, and if applicable, this policy, or any subsequent applicable written agreement between the Municipal and the debtor;
3. At any stage while the debt is outstanding, all reasonable steps shall be taken to ensure that the ultimate sanction of a sale-in-execution is avoided or taken only as a last resort. The Municipality however, has total commitment to a sale-in-execution should the debtor fail to make use of the alternatives provided for by the Municipality from time to time. This is also applicable to all debt, and includes all debt which is a charge against a property, as referred to in this Chapter;
4. As part of the recovery process the Municipal Manager may bid, to a maximum of a justifiable amount at a sale-in-execution and, if successful, sign all relevant documentation to acquire and take transfer of the property;
5. the Municipal Manager shall have the right to negotiate and to cancel the deed of sale, as referred to in sub-item (f) before transfer to the Municipal, if such cancellation results in either the bond holder or the debtor, or both the said parties, paying in full for all debt in connection with that property as well as all costs related thereto; and
6. the Municipal Manager may proceed to sale-in-execution of any immovable property classified as a problem building in terms of the Problem Building Strategy Policy and may attach any condition to such property as determined in terms of the aforesaid policy when proceeding as aforesaid.

## 11.2 Services

1. The following provisions apply to the payment for services:
  - (a) accounts must be paid by the due date as shown on the account;
  - (b) interest will be charged on all overdue accounts;
  - (c) the debtor must be warned on the monthly account of a possible disconnection if payment is not received by the due date;
  - (d) if payment is not received or suitable payment arrangements are not made by the due date, a notice shall be hand-delivered or posted to the physical supply address (i.e. being the address at which the municipal services are being supplied) warning of an imminent restriction, disconnection or discontinuation of a service after 14 (fourteen) days from the date as stated on the notice;
  - (e) if payment is not received or suitable payment arrangements are not made by the due date as shown on the notice, the supply or supplies may be restricted, disconnected or discontinued for any service in respect of any arrear debt;
2. a notice shall be left at the property advising that the supply has been restricted, disconnected or discontinued and warn that all electric points should be considered live and that all water outlets should be closed.
  - (a) the notice must also advise that the supply will only be reconnected after the amounts specified on the notice, and any other debt including the reconnection fee, have been paid or an arrangement acceptable to the Municipal has been made;
3. the above notices must also warn of the consequences of illegal reconnection;
4. subject to the provisions contained in item (f), debtors may be required to pay all penalties and arrears in full before the supply is restored;



5. the onus shall always be on the debtor to request reconnection and to prove that the full amount for which the service was restricted, disconnected or discontinued, as shown on the disconnection notice referred to in item 11 (1) (d) has been paid or that an arrangement was entered into in terms of sub-item (f);
6. despite the provisions of sub-items (a) to (k), should the amount outstanding for the supply of services remain unpaid, full recovery procedures, including appropriate legal actions may be undertaken in order to collect these monies;
7. in the event of an insolvency, and notwithstanding any provisions provided for in this policy, the Municipal Manager, shall serve notice in terms of sub-item (1) (d) at the property and shall notify the trustee by giving 14 (fourteen) days notice of the intention to restrict, disconnect or discontinue the services to the property; and Notwithstanding sub-item (m) the period referred to therein may be waived at the request of the trustee.
8. Where a water management device has been installed the Municipal Manager; may
  - (a) authorise that the adjustment of the water flow be limited to the affordability of the residential debtor based on the total household income; and
  - (b) where the residential debtor who was registered as an indigent and who now has the ability to pay based on the total household income and requires that the supply be increased-
    - i. waits for the lapsing of twelve months from date of registration thereof; or
    - ii. where all the arrears were written off, as more fully set out in item 22, are reversed and are either paid or a suitable arrangement is made to settle the said arrears;may have the supply increased in accordance with sub-item (n) (i).
9. The following provisions apply in the event of illegal reconnection of, or tampering with, water or electricity supply:
  - (a) Where this has occurred the water or electricity supply will be effectively disconnected
  - (b) The full amount of arrears plus any illegal consumption, and any applicable tariffs, will be payable prior to reconnection. Should exceptional circumstances exist, adequate payment arrangements may be permitted at the sole discretion of the Municipal Manager; and
  - (c) The illegal reconnection of, or tampering with, a service supply is considered a criminal offence which may result in legal action being taken.
10. The installation of a prepayment meter, with the written permission of the owner, is encouraged, however;
  - (a) the Municipal Manager has the sole discretion to insist on a prepayment meter being installed on a property where the electricity supply has been disconnected for non-payment; or
  - (b) The Municipal Manager deems the debtor to be a credit risk to the Municipal; and a prepayment meter may be disconnected for non-payment of any debt owed to the Municipality.
11. A minimum of 20% to a maximum of 50% of the value of units purchased for electricity shall be allocated in the first instance to electricity arrears and thereafter to any other arrears. This action will be by prior arrangement with the debtor or by prior notification to such debtor and shall remain unchanged unless by default.
12. An authorised representative of, or service provider to the Municipal, shall be given access to any premises in accordance with the provisions of section 101 of the Systems Act.
13. The Municipal Manager shall have the right to restrict, disconnect or discontinue any service to a property, regardless of who has occupation, upon the written request from the registered owner and provided the service account is in arrears; and
  - (a) A notice shall first be hand-delivered or posted to the physical supply address giving 14 (fourteen) days notice of the intention to restrict, disconnect or discontinue such service.

14. Where a service account, which is not in the name of the registered owner, has been restricted, disconnected or discontinued, the Municipal Manager may insist that the service be transferred into the name of such property owner.
15. Notwithstanding anything to the contrary the provisions of this item shall apply to any debt and the supply of any service to the property may be restricted, disconnected or discontinued in terms of section 9 and 10 of the Credit Control and Debt Collection By-law and item 8 (7) of this policy

### 11.3 *Other debt*

1. All debt under this item will be subject to:
  - (a) Interest being charged on all overdue accounts;
  - (b) the supply of any service to the property may be restricted, disconnected or discontinued in terms of section 9 and 10 of the Credit Control and Debt Collection By-law and item 8 (7) and 11 of this policy; and
  - (c) In the recovery of sundry debt, the Municipal reserves the right to utilise any legal action at its disposal as well as making use of any third party debt collectors.

### 11.4 *Dishonoured payments: rates and general services*

1. Where a cheque, debit order, credit card or EFT payment are dishonoured and where the customer who received value from such payment, is an existing debtor of the Municipal, the reversal and penalty fee may be debited to an account of such payer and a letter of notification must be sent to the debtor. Such fee shall be considered to be a tariff charge and shall be recovered from the debtor. The Municipal reserves the right to refuse to accept or to cancel such further payment methods from such person, to place the matter on the relevant adverse credit rating lists, or take any steps as contained in this policy, which may include criminal charges, if applicable, against the offender; and
2. Where a payment referred to in sub-item (2) was tendered and any debt management action, in terms of this policy, was suspended, and such payment was not honoured, such debt management action shall continue without further notice to such debtor.

11.5 *Dishonoured payments sundry services*

1. (3) Where a cheque, debit order, credit card or EFT payment are dishonoured and where the payment is not from an existing debtor of the Municipal, then a sundry debtor account will be opened and a debit and a penalty fee will be raised and a letter of notification must be sent to the debtor. Once the account is submitted and the debtor fails to honour the debt by due date, a final demand will be generated and dispatched to the last known address of that debtor. If there is still no response, then the matter may be handed over for placement on the relevant adverse credit rating lists, or any steps as contained in this policy which may include criminal charges, if applicable, against the offender may be taken; and
2. Where a payment referred to in sub-item (3) was tendered, and any debt management action, in terms of this policy, was suspended, and such payment was not honoured, such debt management action shall continue without further notice to such debtor.
3. Where a cheque, debit order, credit card or EFT payment are dishonoured and where the customer who received value from such payment method, is an existing debtor of the Municipal, the reversal and penalty fee may be debited to an account of the drawer or beneficiary and a letter of notification must be sent to the debtor. Such fee shall be recovered from the debtor. The Municipal reserves the right to refuse to accept such further method of payment from such payer and or beneficiary and may take any steps as contained in this policy which may include criminal charges, if applicable, against the offender.
4. The Municipal may attach the rental or any other payments due to debtors who are in arrears with their municipal accounts:
  - (a) if any debt levied in respect of a property is unpaid by the owner of the property the Municipal Manager may recover the amount in whole or in part from a tenant or occupier of the property, despite any contractual obligation to the contrary on the tenant or occupier.
  - (b) the Municipal Manager may recover an amount only after a written notice has been served on the tenant or occupier; and
  - (c) the amount the Municipal Manager may recover from the tenant or occupier of a property in terms of sub-item (a) is limited to the amount of the rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property; and
  - (d) any amount the Municipal Manager recovers from the tenant or occupier of the property must be set off by the tenant or occupier against any money owed by the tenant or occupier to the owner; and
  - (e) The tenant or occupier of a property must, on request by the Municipal Manager, furnish the Municipal Manager with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the Municipal Manager.
  - (f) the Municipal Manager may recover the amount due for debt on a property in whole or in part from the agent of the registered owner, if this is more convenient for the Municipal Manager; and
  - (g) the Municipal Manager may recover the amount due for debt from the agent of the registered owner only after a written notice has been served on the agent; and

- (h) the amount the Municipal Manager may recover from the agent is limited to the amount of any rent or other money received by the agent on behalf of the registered owner, less any commission due to the agent; and
- (i) The agent must, on request by the Municipal Manager, furnish the Municipal Manager with a written statement specifying all payments for rent on the property and any other money received by the agent on behalf of the owner during a period determined by the Municipal Manager.

#### 11.6 Clearance certificates

- (a) All debt, inclusive of any advanced collection deemed to be due and payable, for the purpose of issuing any clearance certificate in terms of section 118, of the Systems Act, must be paid in full:
  - i. no interest shall be paid in respect of any payment made in terms of this sub-item unless permitted in terms of any other legislation or policy;
  - ii. all payments will be allocated to the registered seller's municipal accounts in terms of this policy;
  - iii. prior to any refund this payment will be dealt with as follows:
- (b) the advanced collection shall be used to offset any debt that accumulated against the property as follows –
  - i. any tenant debt; and
  - ii. any of the sellers debts:-
- (c) any refund, in respect of any credit remaining after registration of transfer has been registered in the Deeds Office, shall be refunded to such seller subject to Chapter 6 of this policy;
- (d) no certificate, in terms of section 118 of the Systems Act, will be issued where the registered owner (and, in this instance, the seller) has not complied with any relevant legislation, policy or agreement relating to the property in question;
- (e) the Municipal Manager may require the purchaser to apply for all services at the property as part of the application for a clearance certificate; or
- (f) By virtue of registration of the property, the registered owner accepts liability for all services rendered by the Municipal to the said property, except as provided for in other legislation or policy.
- (g) With the exception of an attorney's trust cheque any cheque tendered in respect of a clearance certificate, in terms of section 118 of the Systems Act, must first be cleared by the bank before the certificate can be issued.

#### 11.7 Property related debt

- (a) (7) In terms of section 118 (3) of the Systems Act an amount due for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies and duties is a charge upon the property in connection with which the amount is owing and enjoys preference over any mortgage bond registered against the property. In addition, this amount shall be for the account of the registered owner regardless of who incurred such debt.

- (b) (8) Any service to a debtor's property may be restricted, disconnected or discontinued in terms of section 9 and 10 of the Credit Control and Debt Collection By-law and item 8 (7) and 11 of this policy.

## **12 OTHER ARRANGEMENTS**

### *12.1 Principles for residential debtors*

- (a) Current accounts must be paid in full on or before due date.
- (b) The debtor may be required to prove levels of income and must agree to a monthly payment towards arrears based on such debtors ability to pay or based on such debtors total liquidity if the Municipal so requires.
- (c) All negotiations with the debtor should strive to result in an agreement that is in the interests of both parties and is sustainable.
- (d) Interest will be charged on arrears.
- (e) Interest on –
  - i. arrears in respect of electricity shall be prime plus 5%;
  - ii. Rates may be calculated at 18%; whilst the debtor adheres to the conditions of the arrangement.
- (f) Debtors who default on three occasions in respect of arrangements made may be denied the privilege of making further arrangements and the full amount becomes payable. Interest will be calculated from the original due date of the debt, taking any payments into consideration.
- (g) All arrangements may be subject to periodic review in accordance with the terms and conditions contained in this policy; and
  - i. no arrangement, in terms of the conditions contained in this policy, will be made for a period longer than 18 (eighteen) months, whereafter, such arrangement shall cease and the debtor shall be required to enter into a new arrangement for the remainder of the debt; and
  - ii. failure to enter into a new arrangement after the expiry of the 18 (eighteen) months referred to in sub-item (a) shall result in the debt becoming due and payable forthwith; and
  - iii. All the credit control and debt collection measures as contained in this policy may be enforced.
- (h) All services may be restricted, disconnected or discontinued and legal action may be taken against debtors who defaults on any arrangement and such debt may be referred to third party debt collectors, for recovery.

### *12.2 Arrangement Criteria for residential debtors*

- (a) In cases where residential debtors wish to make arrangements to liquidate their arrears, the following payment criteria, inter alia, will apply:
  - i. current account; and
  - ii. An agreed payment towards arrears based on the principles contained in this policy and sub-items (2) and (3) with a minimum payment as per the Minimum Payment Schedule as adjusted by the Municipal from time to time.
- (b) Each following month the debtor will be required to pay:
  - i. current account; and
  - ii. An instalment as determined in sub-item (9) (b) above.
- (c) Should the debtor default, payments may be as follows:

- i. First default: current account and the monthly payment as determined in sub-item (9)(b) above increased by 50% of that payment;
  - ii. Second default: current account and double the monthly payment as determined in sub-item (9)(b) above; and
  - iii. Final default: current account and full arrears.
- (d) In all cases failure to respond to notices will result in normal credit control procedures and all debt collection processes as provided for in this policy may be taken.

### 12.3 *Principles for non-residential debtors*

- (a) In cases where non-residential debtors wish to make arrangements to liquidate their arrears, the following criteria, amongst other things, will apply-
  - i. debtors may be required to furnish the Municipal with their latest audited financial statements and other supporting documentation relevant to their financial position in order to negotiate a settlement arrangement acceptable to the Municipal;
  - ii. all negotiations with debtors should strive to result in an agreement that is in the Municipal's best interests and is sustainable;
  - iii. interest will be charged on arrears at an interest rate that shall be determined by Council from time to time;
- (b) interest on-
  - iv. arrears in respect of electricity shall be prime plus 5%.
  - v. rates may be calculated at 18%; and whilst the debtor adheres to the conditions of the arrangement;
- (c) all arrangements shall be subject to item 13 (7); and
- (d) The final decision to make these arrangements will rest with the Municipal Manager.

12.4 *Arrangement criteria for non-residential debtors*

- (a) If the non-residential debtor wishes to make an arrangement, interest may be charged or suspended on any outstanding amount and such arrangement will be subject to approval of the official as delegated in terms of sub-item (13)(f).
- (b) Should the debtor default on any arrangement, all services may be restricted, disconnected or discontinued and, any agreement may be terminated and legal action may be taken and such debt may be referred to a third party for recovery. Interest will be calculated from the original due date of the debt taking any payments into consideration.

12.5 *Special conditions regarding arrangements*

- (a) Where any residential or non-residential debtor has entered into an arrangement with the Municipal in respect of the arrears on a property, the prescribed certificate as referred to in section 118, of the Systems Act, will not be issued until such time as the full outstanding amount is paid.
- (b) The conditions contained in the Municipal's arrangement document, as amended from time to time, will form part of the arrangement criteria contained in this policy; and
  - i. The conditions contained in this policy shall form part of the conditions contained in any Municipality's arrangement document as amended from time to time.
- (c) Should the current account be higher than normal, due to, but not limited to, under-estimations and faulty meters, previous accounts rendered may be taken into consideration, when determining an amount to pay in order to enter into an arrangement.
- (d) Notwithstanding sub-item (9) (a) above, the Municipal Manager may determine that interest, disconnection, reconnection charges including any cost of installing any prepayment meter and any costs of installing a water management device, be excluded from the first upfront amount to be paid, when entering into an arrangement; or
- (e) Any charges or costs for any disconnection, reconnection including any cost of installing any prepayment meter and any costs of installing a water management device, which appear on any subsequent account following the arrangement concluded in sub-item (19), may be subject to a renegotiated arrangement.
- (f) All debtors entering into arrangements shall provide their banking details, and those who have the facility to sign a debit order with their financial institutions shall do so.
- (g) The Municipal Manager would normally only enter into arrangements with the registered owners and account holders, but may do so, on receipt of an affidavit, by the occupier or a tenant of a residential property, which certifies that;
  - i. the registered owner of the property at which such tenant or occupier so resides in is;
    - a. untraceable; or
    - b. not contactable; or
    - c. such registered owner's whereabouts are unknown; or
    - d. where there is no co-operation by the registered owner with the occupier, and –
  - ii. that they have a right to so occupy such property and stating the time period that they have so occupied the property;
  - iii. the last known address of the registered owner;
  - iv. the rental due for such right to so occupy;
  - v. that such occupier or tenant undertakes to advise the registered owner at the first reasonable opportunity of the current situation and that the tenant or occupier further agrees to obtain the consent of the registered owner to condone the process as set out in this sub item failing which the arrangement may be null and void; and

- vi. where applicable provide comprehensive details of the non co-operation of the registered owner;
- vii. Enter into an arrangement with such a tenant or occupier in terms of this policy, to pay off arrears on an account which is a charge against the property.

#### 12.6 *Steps to be taken by the Municipal Manager*

- (a) authorise an arrangement be entered into with the occupier or tenant subject to;
- (b) the possible installation of a prepayment electricity meter, a water management device including any prepayment water meter;
- (c) a letter being dispatched to the last known address of the registered owner as per Council records and the address supplied in sub-item (21) (c), which shall advise the registered owner of such registered owner's responsibilities relating to the non-payment of the amounts due against the property and of the arrangement and the possible installation of a prepayment electricity meter, a water management device or a prepayment water meter, and giving the registered owner 14 (fourteen) days in which to object to such installation and arrangement; and
- (d) Should the registered owner fail to respond to the notice in item (21) (g) (ii) the Municipal Manager may proceed to install such devices and shall activate the said arrangement.
- (e) Notwithstanding the provisions of paragraph 21, the Municipal Manager may refuse to reconnect or restore any service to a tenant unless written permission is obtained from the registered owner:
  - i. authorising the tenant to enter into an arrangement in terms of this policy; and
  - ii. Authorising the reconnection or restoration of any service.
- (f) The Municipal Manager may restrict, disconnect or discontinue any service to a property;
  - i. if the registered owner withdraws, in writing, any permission granted in terms of sub-item (22) where the tenant has defaulted on the arrangement made; and
  - ii. No new application for any service to the property will be authorised until all the arrears have been settled in full.
- (g) Where an arrangement has been concluded in order for an applicant to qualify for any exemptions, rebates or reductions in terms of paragraph 6.3 of the Rates Policy such arrangement shall be adhered to; and
  - i. Should there be any default on the arrangement referred to in sub-item (24) then all the exemptions, rebates or deductions granted will be reversed with effect from the date on which the relevant application was granted.

### **13 SPECIAL RATING AREAS**

1. Any additional rate, tariff or levy will be determined in accordance with Section 22 of the Property Rates Act, the Rates Policy, and the Municipal of Ulundi: Special Rating Areas By-law and the Special Rating Areas Policy.
2. Any additional rate, tariff or levy will be added to the monthly municipal account and must be paid by the due date to avoid interest being charged.
3. The additional rate, tariff or levy will be subject to the debt management procedures as described in this policy.
4. Interest will be charged on all overdue accounts



## 14 HOUSING

### 14.1 General principles

- (a) Interest may be charged on all overdue accounts at an interest rate that shall be determined by Council from time to time.
- (b) Interest charges on arrears will be frozen subject to the rescheduled debt arrangement being honoured.
- (c) A debt rescheduling arrangement requires the payment of the current monthly charges plus a mutually agreed amount towards the arrears each month with a minimum 90% payment in the review period.
- (d) Any staff member or Councillor who is in arrear with an account payments will be subject to a monthly salary deduction of at least 15% of their gross salary with a double deduction at the end of each bonus month or full amount on exit until the arrear is satisfied.
- (e) If a debt arrangement is not honoured, the debt collection process or legal action will resume from where it was suspended and not restart at the beginning of the debt management process.
- (f) Home visits may be undertaken by officials or representatives on behalf of the Municipal following the issue of the letter of demand to the debtor. Where the registered owner/tenant/occupier and his/her spouse are not home at the time of the visit, a letter for registered owner/tenant/occupier to call at the housing office will be left at the dwelling. (After one recorded unsuccessful attempt by housing officials or representatives, house visits will be deemed to have been completed) The visiting official or representative will make every effort to encourage the defaulting debtor to pay their current account and enter into an arrangement for arrears. Where a purchaser is not in occupation of the property it is not incumbent on the Municipal to perform home visits.
- (g) The Municipal Manager may recover from the debtor the following costs in instances where such costs are incurred by or on behalf of the Municipal,
  - i. cost and administration fees where payments, made to the Municipal by negotiable instruments, are dishonoured by banks when presented for payment;
  - ii. legal and administration and all other costs/charges, including attorney and client costs, and tracing fees incurred in the recovery of debts; and
  - iii. Any collection and related commission.
- (h) The following *minimum payments* added to legal costs are required from the debtor prior to stopping the legal process:  
  
Following the service of a summons ..... 1 X total monthly housing charge  
Where judgement has been granted .....2 X total monthly housing charge  
On day of eviction .....3 X total monthly housing charge
- (i) In each case the payment will be limited to the lesser of the outstanding balance or the amount calculated above.
- (j) The Housing Manager may use discretion where the tenant is found to be indigent in terms of the provisions of the Housing Indigent Grant.

- (k) If the debtor defaults on an arrangement which was made on the day of eviction, a re-issued warrant of eviction will be obtained and the subsequent eviction process can only be stopped if 12 x the total monthly housing charge plus legal costs are paid.
- (l) Should the debtor default on this second arrangement, no further arrangements will be entered into and the eviction will be enforced unless the debtor pays the amount owing in full.
- (m) There will be no reinstatement after eviction.
- (n) In order to ensure the affordable implementation and recovery of all housing charges as aligned to the Municipal's housing debt management programme, the subsidy phase out programme status will remain at its current level.
- (o) The Municipal may utilise the services of any organisation in order to facilitate the recovery of housing debt.

## ***15 COLLECTION PROCESS: RENTAL SCHEMES***

1. Rental is payable in advance by the due date.
2. If payment is not received, a first contact letter requesting payment and offering the debtor an opportunity to make an arrangement within 30 (thirty) days, from the date of the letter, is sent to the defaulting debtor.
3. If no response to the first contact letter, a letter of demand is sent, allowing the defaulter 30 (thirty) days, from the date of the letter, a further opportunity to make an arrangement.

4. If the debtor fails to respond to this letter of demand, within 30 (thirty) days, the debtor may, within the next 30 (thirty) days, receive a house visit (note sub-item 15 (6)).
5. Failure to respond after the house visit will result in legal proceedings.
6. The legal collection process will start with a letter demanding payment within a stipulated period.
7. If the debtor fails to respond within the allowed time, summons will be issued.
8. No response to the summons will result in the Municipal making an application to court for default judgement and, ultimately, the commencement of eviction proceedings.

## **16 COLLECTION PROCESS: HOME-OWNERSHIP SCHEMES**

1. Instalments and other housing charges are payable by the due date.
2. If payment is not received, a first contact letter requesting payment and offering the debtor an opportunity to make an arrangement within 30 (thirty) days from the date of the letter, is sent to the defaulting debtor.
3. If there is no response to the first contact letter, a letter of demand is sent, allowing the defaulter 30 (thirty) days, from the date of the letter, a further opportunity to make an arrangement.
4. If the debtor fails to respond to this letter of demand within 30 (thirty) days, the debtor may, within the next 30 (thirty) days, receive a house visit (note sub-item 15.6).
5. Failure to respond after the house visit will be followed by legal proceedings.
6. The legal collection process will start with a letter demanding payment within a stipulated period.
7. If the debtor fails to respond within the allowed time, summons will be issued. No response to the summons will result in the Municipal making an application to court for, default judgment and ultimately, the commencement of eviction proceedings.
8. If the amount due on the day of eviction is not paid, repossession of the property will take place and immovable property may be sold or converted to a rental unit.

### **16.1 Arrangements on arrear debt**

- i. Any arrangement agreement on arrear debt shall be as determined by the Municipality from time to time.

## ***17 DEBT MANAGEMENT ACTIONS***

1. Subject to sub-item (3) and (4) no restriction, disconnection or discontinuation of any service or legal action will be instituted against any debtor, who has registered for and been accepted as an indigent for a period of twelve months, or while they still qualify as indigent, and meet all the criteria, in item 23 (1), during this twelve month period.
2. An application for registration as indigent is only valid for a period of twelve months from the date of approval.
3. It is a requirement of this policy that should the personal circumstances of a debtor improve to such an extent that such debtor no longer qualifies as an indigent, then such person must notify the Municipal Manager immediately of this change in order for such persons name to be removed from the indigent register.
4. If it is found that a debtor no longer qualifies as an indigent, and such debtor has not informed the Municipal Manager, then this debtor will be de-registered as an indigent, and all suspended steps, as referred to in sub item (1) above, will be lifted, from the time the debtor's circumstances were found to have improved, and interest will be payable on any outstanding amounts.

## ***18 MISREPRESENTATION***

1. Debtors found to have misrepresented themselves in order to benefit from the Municipal's indigent relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all benefits that have been received, in terms of the indigent relief, will be reversed by the Municipal Manager.
2. Any person who has received any benefit or relief in terms of this policy and who has misrepresented themselves in order to qualify for such benefit or relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all benefits or relief received, will be reversed by the Municipal Manager.
3. The Municipal Manager shall report any misrepresentation in terms of this policy to the South African Police Services.

## **19 PROPERTY MANAGEMENT**

### 19.1 *General principles*

- (a) Interest may be charged on all overdue accounts at an interest rate that shall be determined by Council from time to time.
- (b) Interest charges on arrears will be frozen, and on rates will be calculated at 0%, subject to the rescheduled debt arrangement being honoured.
- (c) A debt rescheduling arrangement requires the payment of the current monthly charges plus a mutually agreed amount towards the arrears each month.
- (d) Any staff member or Councillor who is in arrear with housing account payments will be subject to a monthly salary deduction of at least 15% of their gross salary with a double deduction at the end of each November until the arrear is satisfied.
- (e) If a debt arrangement is not honoured, the debt collection process or legal action will resume from where it was suspended and not restart at the beginning of the debt management process.
- (f) The Municipal Manager may recover from the debtor the following costs in instances where such costs are incurred by or on behalf of the Municipal;
  - i. cost and administration fees where payments, made to the Municipal by negotiable instruments, are dishonoured by banks when presented for payment;
  - ii. legal and administration costs, including attorney and client costs, and tracing fees incurred in the recovery of debts; and
  - iii. Any collection commission/charges.
- (g) In cases where a debtor has both a residential and commercial lease with Property Management, the debt management process for the commercial lease will be adopted for all Property Management accounts of the debtor.
- (h) The Municipal may utilise the services of any organisation in order to facilitate the recovery of Property Management debt.

19.2 *Property leases collection process*

- (a) All charges are payable in advance on/before the due date.
- (b) The Property Management: Debt Management process begins when a lessee falls into arrears in respect of the current/arrears charge due which constitutes a breach of the lease contract.
- (c) The Property Management Department of the Municipal may contact a property leases debtor either telephonically or in writing noting the requirement to make payment against an overdue property leases account.
- (d) No response to this initial contact may (where applicable) lead to restriction (in respect of residential property) or a disconnection (in respect of commercial property) of the water and/or electricity or any other supply for that property.
- (e) Where a debtor is in contractual default, a first contact letter requesting payment, and offering the debtor the opportunity to make an arrangement within 30 (thirty) days of the date of the first contact letter, is submitted to the debtor.
- (f) Failure by the debtor to respond to the first contact letter within the requisite 30 (thirty) day period will automatically result in the institution of the required legal and related proceedings by way of a legal letter demanding payment within a stipulated period being sent to the debtor.
- (g) If the property leases debtor does not respond (viz. payment in full for commercial leases or the conclusion of an appropriate debt rescheduling arrangement for residential leases) to the legal letter within 30 (thirty) days, summons will be requested for issue to the debtor.
- (h) Where the debtor does not respond to the summons (viz. payment in full for commercial leases or the conclusion of an appropriate debt rescheduling arrangement for residential leases) within a 30 (thirty) day period a judgement order will be requested by the Municipal which may lead to eviction.
- (i) (9) Where the debtor does not respond before the date of court appearance (viz. payment in full for commercial leases or the conclusion of an appropriate debt rescheduling arrangement for residential leases), eviction will commence.
- (j) (10) Should the debtor make an arrangement on the day of eviction and not adhere to the content of the agreement, the debtor will have to pay the lesser of the full outstanding debt and 12 X monthly lease instalment for residential leases and the full debt for commercial leases, in order to stop the Municipal proceeding with the subsequent eviction.

## **20 CREDITS, REFUNDS AND TRANSFERS**

### 20.1 *Credit*

- (a) The Municipal Manager shall have the right to claim any credits due to this Municipal or any of its predecessors-in-law.
- (b) No interest shall be paid in respect of any credit on any account unless permitted in terms of any other legislation or policy

### 20.2 *Requests for refunds or transfers*

- (a) All requests for refunds or transfers must be in writing.
- (b) A "Request for Refund Form" must be completed, or dictated to an official who will record it in writing and have it read, and if necessary, corrected, and
  - i. all the applicable supporting documentation must be supplied; and
  - ii. The form must be signed by the person requesting the refund.
- (c) The form must then immediately be lodged with the relevant authorised CFO or nominee.
- (d) Consideration for a refund or transfer will only be given where credits appear on the account.
- (e) Refunds will only be made to an account holder.
- (f) Notwithstanding sub-items (4), (5) and (7) any payment made on an account by a third party will only be considered for a refund or transferred, by the Municipal Manager, to such third party, after the latter submits proof of the payment and such refund or transfer will be subject to any law and policy of the Municipality. In case of community facilities rented subject to a certification by the Caretaker that all is in order.

### 20.3 *By the claimant*

- (a) The claimant will be required to produce the original proof of the payment which includes but does not limit same to any of the following:
  - i. original receipt;
  - ii. proof of payment method;
  - iii. original cheque as processed by the bank, if applicable;
  - iv. affidavit in support of the refund or transfer; and
  - v. Proof of the account intended to be paid, if applicable.

20.4 *By the Municipal*

- (a) Before making any refund or transfer the Municipal Manager may:
  - i. try to establish the whereabouts of the account holder and thereafter;
  - ii. write to such account holder, at the last known or established address, giving such account holder 14 (fourteen) days to show cause why such refund or transfer should not be proceeded with; and
  - iii. no refund or transfer shall take place until any objection to the refund or transfer by the account holder, as referred to in sub-item (ii), has been resolved to the satisfaction of the Municipal; and
  - iv. The Municipal Manager shall notify both the claimant and the account holder, of any final decision to either: (AA) Proceed with the refund or transfer; or (BB) to reject the request for the refund or transfer.

20.5 *By the Accountholder*

- (a) Any account holder objecting to such refund or transfer must comply with the following:
  - i. Submit such objection in writing showing cause as to why the refund or transfer should not take place; and
  - ii. May be required to submit such objection in the form of an affidavit.
- (b) Except for refunds in terms of section 55, of the Property Rates Act, where there are two or more account holders all of the account holders must complete and sign the "Request for Refund or Transfer Form.

**21 DECEASED ESTATES, INSOLVENT ESTATES, JUDICIAL MANAGEMENT AND CURATORSHIP**

21.1 *Deceased estates*

- (a) Refunds and requests for transfers will only be considered upon receipt of the duly completed form referred to in item 33, signed by a duly appointed executor or executrix, and such application shall be subject to relevant conditions contained in item 33; and
  - (i) Refunds will only be made payable to the deceased estate's bank account.
- (b) Notwithstanding sub-item (1) if an estate is wound up in terms of section 18 (3) of the Administration of Estates Act, then such refund or transfer can be made as per the directions as given by the Master by applying the same or similar principle; and
- (c) The Masters direction as referred to in sub-item (2) must be attached to the request for the refund or transfer.



21.2 *Insolvent estates including any entity in the process of liquidation*

- (a) Refunds and requests for transfers will only be considered upon receipt of the duly completed form referred to in item 33, signed by a duly appointed trustee or liquidator, and such application shall be subject to relevant conditions contained in item 33; and
- (b) refunds will only be made payable to the bank account of either the insolvent or an entity in liquidation; or
- (c) to an unrehabilitated insolvent; or
- (d) Notwithstanding anything else to the contrary contained herein to any nominee, subject to the conditions contained in this policy.
- (e) Despite anything to the contrary contained in this policy the right to offset any debt against any credit is subject to the Insolvency Act.

21.3 *Judicial management*

- (a) Refunds and requests for transfers will only be considered upon receipt of the duly completed form referred to in item 33, signed by a duly appointed judicial manager, and such application shall be subject to relevant conditions contained in item 33; and
  - i. Refunds will only be made payable to the bank account of a company which has been placed under judicial management.
- (b) Despite anything to the contrary contained in this policy the right to offset any debt against any credit is subject to the Insolvency Act.

21.4 *Curatorship*

- (a) Refunds and requests for transfers will only be considered upon receipt of the duly completed form referred to in item 33, signed by a duly appointed curator, and such application shall be subject to relevant conditions contained in item 33; and
  - i. Refunds will only be made payable to the bank account of a person under curatorship.

## **22 REFUNDS AND TRANSFERS GENERALLY**

1. Subject to sub-item (2) refunds shall take the form of electronic bank transfers only unless catered for elsewhere in law or any of the applicable policies of the Municipality.
2. Subject to sub-item (3) the Municipal Manager shall have the right to offset any credit against any debt of the same debtor.
3. Notwithstanding sub-item (2) the amount referred to in item 24 (2) shall not be offset except as provided for in item 24 (3).
4. The right to offset any debt against any credit is subject to the Insolvency Act, or any court order prohibiting such set-off.

5. In the case of a refund or transfer to a partnership no set-off against any debt of the individual partner may take place; but (a) any credit due to a partner may be offset against the debt of a partnership.

22.1 *Clearance certificates*

- (a) Any refund provided as a result item 12 (6) shall be refunded in terms of that sub-item as read with this Chapter.
- (b) Any payment for a clearance certificate, which results in a credit on the sellers account, shall be refunded to such seller, after registration, and after finalisation, to the satisfaction of the Municipal Manager, of the respective account.
- (c) Where a sale does not result in registration taking place no refund shall be made, unless there is a credit on the account, and such refund shall be limited to the total of the amount in credit which shall not exceed the credit placed to the account in order to obtain the clearance certificate.
- (d) The sheriff of the court who sold the property shall be the seller when a property has been sold in execution.

22.2 *Nominees*

- (a) Subject to sub-item (2) and (3) and notwithstanding anything else contained in this policy refunds may be made to a nominees banking account.
- (b) The Municipal Manager has the right to offset any of the nominees' debt against any credit to be refunded to such nominees banking account.
- (c) Notwithstanding sub-item (1) no refund will be made to a nominee where the account holder is a juristic person.

## **23 MISCELLANEOUS**

23.1 *Right of access to property*

- (a) The registered owner or occupier of any premises in this Municipal must give an official of this Municipal or any representative of a service provider, who is authorised by the Municipal Manager, access at all reasonable hours to the premises in order to inspect the premises, read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict or discontinue the provision of any service.

23.2 *Compromising or compounding any action, claim or proceedings*

- (a) In terms of section 109 of the Systems Act the Municipal Manager may compromise or compound any action, claim and proceedings where applicable.
- (b) Sub-item (1) is not applicable to rates except as provided for in section 26 (3) of the Property Rates Act.

## **24 OTHER COLLECTION PROCEDURES**

### *24.1 Failure to pay debt by due date*

- (a) Should any debtor fail to pay any debt, referred to in section 118 (3) of the Systems Act, by due date the Municipal Manager may, serve a notice in terms of section 115 of the Systems Act, –
  - i. on the debtor, and
  - ii. on the property,

Calling upon such debtor to pay such debt within 30 (thirty) days of such notice.

### *24.2 Content of notice*

- (a) The notices referred to in item 41 shall state that should any debt not be settled within 30 (thirty) days of such notice, application will be made to court for an order for the sale of the debtors property for the outstanding debt plus any additional debt incurred in the application of this Chapter.

### *24.3 Address for delivery of notifications*

- (a) Any debtor may notify the Municipal Manager of an address within the Republic to which any notice referred to in sub-item 41 (1) (a) may be sent; and
  - i. any address given in terms of sub-item (1) may be amended by a debtor by notifying the Municipal Manager in writing of the change thereof; and
    - (i) Such amended address shall take effect when a written acknowledgement of such address is dispatched by the Municipal Manager to the debtor.
  - ii. the onus shall be on the debtor to ensure that such debtor receives a written acknowledgement of such amended address;
  - iii. the amended address shall be deemed for all purposes to be the address where all notices in terms of this Chapter may be served to the exclusion of any address previously notified;
  - iv. shall state either the property account number or numbers of each applicable account; and
    - 1. the full description of the property;
    - 2. the physical address of the property; and
    - 3. The full name of the registered owner.

24.4 *Procedures to be followed for debt*

- (a) Should any debt referred to in item 41, remain unpaid after the final date for the payment thereof, such debt may be recovered in the manner set forth in this Chapter.
- (b) The Municipal Manager shall cause a further notice to be served, in terms of section 115 of the Systems Act, advising that an application shall be made to Court, after the lapsing of 14 (fourteen) days from dispatch of this notice, for an Order for the sale of the debtor's property for the outstanding debt plus any additional debt incurred in the application of this Chapter.
- (c) If after giving notification in terms of items 41 and sub-item 44 (2) hereof, and such debt remains outstanding, a court of competent jurisdiction, upon the application by this Municipality, showing
  - 1. the amount of debt not paid; and
  - 2. the notices provided for in items 41 and 44 (2) has been given,
- (d) shall be requested to summarily order any such property against which the debt is owing to be sold by way of public auction, subject to the conditions contained in sub-items (4), (5) and (6) hereof, which order the court shall have the right to grant.
- (e) The order shall give the power for the proceeds of the public auction to be paid into court and direct that payment be made to the Municipal, from these proceeds; of
  - 1. all debt outstanding; and
  - 2. all costs incurred by this Municipal in respect of the application made in terms of this Chapter;

In preference to any bondholder in terms of section 118 (3) of the Systems Act.

- (f) Upon the court order as set out in sub-items (3) and (4) hereof the Municipal shall have the right to have the property or any part thereof, as the case may be, sold in accordance with the court's order without the necessity of issuing a writ or other process of court for that purpose, except as provided for in sub-item (6), provided that in all other respects any such sale shall be deemed to be a sale of immovable property in execution of the judgment of such court, save that it shall not be necessary to notify or consult the debtor, against which the amount is owing, with regards to the sale or the conditions of the sale.
- (g) Prior to applying for a date of sale of any property in terms of this Chapter, or the court order, the Municipal Manager shall:
  - 1. post a notice on the official notice board of this Municipality for a period of at least 30 (thirty) days;
  - 2. publish such notice in at least three newspapers circulating in the area in which the property is situated; and
  - 3. Serve a notice to this effect on the debtor.

- (h) The notice referred to in sub-item 44 (6) (a) may be in the form of a schedule and shall contain at least the following information:
  - 1. The name of the owner;
  - 2. the full physical address of the property;
  - 3. the amount outstanding;
  - 4. that the debtor has a right to settle the debt before the expiration of the notice;
  - 5. that the property may be sold in terms of the court order granted in terms of this Chapter should the debt remain outstanding after the expiry of the said notice; and
  - 6. Any other information which the Municipal Manager deems necessary.
- (i) The notice referred to in sub-item 44 (6) (b) shall contain at least the following information:
  - 1. The name of the registered owner;
  - 2. the full physical address of the property;
  - 3. the amount outstanding;
  - 4. that the debtor has a right to settle the debt before the expiration of the notice;
  - 5. advising that application shall be made to the sheriff of the court for a sale date after the expiry of the notice; and
  - 6. Any other information which the Municipal Manager deems necessary.
- (j) If before the sale of any such property in terms of any court order there is produced to the sheriff or any other person charged with the sale thereof a certificate from the Municipal Manager that all the amounts due have been fully paid, the said property shall be withdrawn from the sale.
- (k) Notwithstanding that all the said amounts may have been paid before the said sale this Municipal shall not be liable to any person whatsoever for any loss or damage suffered by such person by reason of the sale of any such property in respect of which no such certificates have been produced to the said sheriff or person in charge.
- (l) If any property is sold pursuant to a court order referred to in this Chapter notwithstanding the fact that all amounts due have in fact been paid; and
  - 1. if the Municipal Manager, within three months of the sale, is satisfied that the said amounts had been paid at the date of the sale, the 52
  - 2. Municipal Manager shall, if transfer of the property to the purchaser has not yet been registered, declare the sale null and void;
  - 3. the declaration referred to in sub-item 11 (a) hereof shall be by way of written notice signed by the Municipal Manager and a copy thereof shall be served on the registered owner, in terms of section 115 of the Systems Act, and on the purchaser, at the address supplied in the conditions of purchase, and shall be transmitted forthwith to the Registrar of Deeds.
  - 4. upon signature of the said declaration the sale shall be null and void and in that event the purchase price shall be refunded to the purchaser;
  - 5. the registered owner shall be liable for all the expenses of the sale and all expenses incurred pursuant to the sale save any expenses incurred after production, if any, of the certificate referred to in sub-item (9) hereof, to the sheriff or any other person charged with the sale; and
  - 6. If no such certificate has been signed by the Municipal Manager in accordance with sub-item (9) hereof the sale shall be of full force and effect.
- (m) Nothing contained in this Chapter prevents this Municipal from taking any other proceedings for the recovery of debt as set out in this policy, any relevant legislation, or any other competent procedure in any court of competent jurisdiction.

## **25 ANNUAL REVIEWS AND APPROVAL**

### *25.1 Policy consultations & approval*

- (a) *Consultation Process* - The policy shall be reviewed at least once annually, unless circumstances dictate otherwise, by the Chief Financial Officer.
- (b) *Policy Approval Process* - This policy shall be approved by the Council thereafter. All reviews and revisions to any section of the policy and procedures document must be approved by the Council.
- (c) Any amendments to the Policy must be approved at the next Council meeting.
- (d) No policy amendments may be implemented without prior Council approval.

### *25.2 Review and revision arrangements including version control*

- (a) *Review and Revision Process* - The policy shall be reviewed at least once annually, unless circumstances dictate otherwise, by the Chief Financial Officer and the Accounting Officer.
- (b) All reviews and revisions to any section of the policy and procedures document must be approved by the Council.
- (c) *Version Control* - A version control sheet shall be maintained with the document.

### *25.3 Dissemination and implementation*

- (a) *Dissemination* - Once approved, this policy document shall be circulated by *e-mail* to appropriate staff within the organization including management, staff and financial management staff.
- (b) The document will also be supplied to the Registry Department for archiving, and publishing.
- (c) *Implementation* - Implementation shall be carried out by the Chief Financial Officer and the Municipal Manager shall exercise oversight.

## ***ANNEXURE "A": INCOME COLLECTION TARGETS***

### Payment level on current accounts:

SEE CURRENT SDBIP

### **CUSTOMER SERVICE TARGETS**

4. Response time to customer queries: - SEE CUSTOMER CARE POLICY
5. Date of first account delivery of new customers: - By second billing cycle after date of application or occupation whichever is the latest.
6. Reconnection time: - Within 24 hours after appropriate payment / arrangement
7. Meter reading cycle - 95% of meters being read on monthly basis with a maximum of 3 consecutive months estimated

**ADMINISTRATIVE PERFORMANCE TARGETS**

- 8 (1) Cost efficiency of debt collection:
- (a) Cost of collection not to exceed the capital debt amount;
  - (b) All reasonable steps to be taken to limit cost to Council or the customer;
  - (c) Cost of collection is to be recovered from the defaulting customers;
  - (d) Total cost of collection to be recovered by means of applicable credit control tariffs.
- 9 (1) Query and appeal periods:
- 45 working days to resolve queries and appeals.
- 10 (1) Enforcement mechanism ratio's:
- 95% of total number of arrear customers being successfully notified / disconnected;



## ***ANNEXURE "B": ARRANGEMENTS***

1. (1) If a customer cannot pay his/her account with the municipality then the municipality may enter into an extended term of payment not exceeding 48 months with the customer. The customer must:
  - (a) Sign an acknowledgement of debt;
  - (b) Sign a consent to judgement;
  - (c) Provide a garnishee order/emolument order/stop order (if he or she is in employment);
  - (d) Acknowledge that interest will be charged at the prescribed rate;
  - (e) Pay the current portion of the account in cash;
  - (f) Sign an acknowledgement that, if the arrangements being negotiated are later defaulted on, that no further arrangements will be possible and that disconnection of water and electricity will follow immediately, as will legal proceedings.
  - (g) Acknowledge liability of all costs incurred such as disconnection fee, reconnection fee and legal costs.

### ***THE FOLLOWING ARRANGEMENTS CAN BE ENTERED INTO:***

#### **2.1 Domestic consumers**

- (a) Debt R3 000.00 to R5 000.00 AND 50% of outstanding amount. plus cost of disconnection and reconnection. The balance of the outstanding amount over maximum 6 months.
- (b) Debt R5 001.00 and R15 000.00 40% outstanding. Remaining balance payable over a maximum period of 12 months.  
In all cases deposit to be increased to 3 times the average monthly consumption or a minimum as determined annually and published in the tariff list.
- (c) Debt from R15 001 to R25 000, 30% of outstanding amount paid the remaining balance payable over a maximum period of 18 months.
- (d) Debt from R25 001 and above, 20% of outstanding amount and remaining balance payable over a maximum period of 48 months.

#### **2.2 Disconnections and reconnections**

- (a) Should services be disconnected (R300 00 domestic customers/R600 00 commercial) as a disconnection and reconnection fee will be levied and such levies will be payable together with the minimum amount required prior to reconnection.

#### **2.3 Theft of electricity**

- (a) Should there be any tempering or theft of electricity of any kinds, the penalty will be (R1 200.00 domestic customers/R5 000 commercial customers) prior to reconnection.

**BUSINESS**

No arrangements exist for this consumer category.

**GOVERNMENT DEPARTMENTS**

No arrangements exist for this consumer category.

**ADMINISTRATIONS**

6 (1) Where a person has been placed under administration the procedures will be as follows:

- (a) The debt as at the date of the administration court order will be placed on hold, and collected in terms of the court order by the administrator's dividend.
- (b) The administrator is to open a new account on behalf of the debtor, with a new deposit – No account is to be opened/operated in the debtor's name as the debtor is not entitled to accumulate debt (refer section 74S of the Magistrates Courts Act 32 of 1944).
- (c) Until such time as this new account is opened, the debtor is to be placed on limited services levels. The consumer will be compelled to install a prepaid electricity meter, should one not already be in place. The Municipality will be entitled to recover the cost of the basic services by means of purchases made on the prepaid meter.
- (d) Should there be any default on the current account – the supply of services is to be limited or terminated, and the administrator handed over for the collection of this debt.

**INDIGENT**

- 7 (1) All consumers qualifying as indigent and having remaining arrear debt after any relief has been granted, will repay that debt as follows:  
Over 36 months, in addition to monthly service charges, with immediate payment of the cost of the credit control action taken.

**ANNEXURE "C": APPLICATION FOR MUNICIPAL SERVICES**

TOWNSHIP .....

STAND NO .....

A. PLEASE RENDER/\*DISCONTINUE THE FOLLOWING SERVICES ON .....(DATE)  
(XXX WORKING DAYS' NOTICE IS REQUIRED)

DEPOSIT PAYABLE: R..... RECEIPT NO:.....

EXISTING ACCOUNT NO:..... NEW ACCOUNT NO:.....

WATER PROVISION			SEWERAGE (TOILET)		ELECTRICITY		REFUSE
Communal Standpipe	Yard Tap	House Connection	Bucket	Water Connection	Prepaid	Credit meter	Removal

TYPE OF SUPPLY:

Domestic	Commercial	Industrial	Educational	State	Agricultural	
State whether any type of business activities to be conducted from residential address					YES	NO

At street address: .....

TYPE OF BUILDING

House	Business	Flat	Complex	Sectional Title	Other
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B. PERSONAL INFORMATION OF APPLICANT/CUSTOMER

Trust/ Close Corporation/Company name	:	.....
Trust/ Close Corporation/Company registration no <sup>1</sup> .	:	.....
Surname <sup>2</sup>	:	..... ID Number :.....

<sup>1</sup> No application form will be considered unless copies of the relevant registration forms are attached.

<sup>2</sup> Surname of account form will be considered unless copies of the relevant registration forms are attached.

Ulundi Local Municipality  
Credit Control and Debt Collection Policy

First names : ..... Pension Number : .....

Previous Address : .....

Postal Address : .....

Employer : .....

Work Address : .....

Employee number : .....

Postal Code : ..... Number of years at current site : .....

Tel. Work : ..... Tel. Home: .....

Occupation : ..... Cell No: .....

Marital Status : ..... Bank Details: .....

**Spouse Details:** Branch .....

ID number : ..... Account No .....

Cell No. : ..... Do you wish to make use of :

Name of Employer : ..... Debit order: YES/NO

Work Address : ..... Stop order: YES/NO

Work Tel. No. : ..... Vehicle Registration No: .....

(In/out community of property/Marital Status Contract /Divorced)

List of other accounts held : 1.....Account No. ....

2.....Account No. ....

3.....Account No. ....

Previous municipal account .....Account No. ....

Occupiers of stand other than family (rental, backyard lodgers, spaza shops, taxis, etc) : .....

Number of people residing on property  Over 18:  Under 18:

Income of household if applying for  
indigent support:

(Include all sources of revenue of all the persons residing on the site)

Method of account delivery: Fax  Post  E-mail  E-mail address

Name and address of a family member and/or friend not residing at the same address:

..... Tel. No. ....

If not the owner, to whom do you pay rent:

.....

**C. TO BE COMPLETED BY OWNER/AGENT/CARETAKER FOR LEASED PROPERTIES**

Surname	:	.....	First Name	:	.....
Home Address	:	.....	ID NUMBER	:	.....
Name of Employer	:	.....			
Date	:	.....	Signature	:	.....

**D. DECLARATION BY APPLICANT**

I hereby declare that I/we agree to the conditions of supply of the mentioned services as laid down in the by-laws of the Municipality and other laws that are applicable.

I/We hereby certify the information furnished to be correct.

I/We hereby accept the street address/stand number specified above as my own domicilium citandi et executandi address where I will accept any notices to be served.

I/We received a duplicate of this application form and am/are aware of the applicable further conditions of supply set out in the annexure at the back of this form.

.....  
**CUSTOMER/APPLICANT**

.....  
**ON BEHALF OF MUNICIPALITY**

**DATE:** .....

