

# **JOE GQABI DISTRICT MUNICIPALITY**



## **INDIGENT ASSISTANCE POLICY** (including Free Basic Services)

### 1.PURPOSE

**Because** of the **level** of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for normal municipal services. The municipality therefore adopts this indigency management policy to ensure that these households have access to at **least** basic municipal services.

### 2.QUALIFYING CRITERIA

An account holder (customer) may apply in the prescribed manner, to be regarded as indigent provided that the following conditions are **adhered** to:

- The **gross household** income must not exceed the amount equal to two state pensions per month.
- The applicant should not own more than one fixed property.
- The applicant must be a resident on the property to qualify for the indigent subsidy.
- The application to be regarded as indigent must be renewed annually.
- Residents **older** than 65 years would only applied once.

To register as an indigent, the relevant property owner or account holder must personally complete and sign the registration form provided by the municipality for this purpose, and furnish such further documentation as the municipality specifies.

The Municipality will provide assistance to persons who cannot read or write, at such times and places as are specified in the notices published to indicate that the registration programme is to take place. Registration will **take** place on **dates** and at times and places determined by the Council, but shall generally be undertaken during January and/or February each year.

The successful applicant **will** receive a monthly indigent subsidy as determined by Council from time to time. If the total monthly charges are more than the subsidy the **balance** must be paid by the customer.

### 3.APPLICATION

The following application procedures must be followed to be regarded as an indigent customer:

- If the applicant is employed, a copy of the latest payslip must be produced or any other proof of income.
- The applicant must provide a copy of his/her identity document.

- The completed Indigent application form must be handed in at its Water Service Providers or as determined by Council.
- A sworn **affidavit** to confirm the correctness of the information on the form.
- The Council will approve the application and ensure the implementation of the indigent subsidy to the consumer.
- The application and subsidy will be valid for as long as funds are **available** and the circumstances of the household have not changed.
- The applications for **the subsidies shall** be reviewed every six months, that is, changes in the circumstances **shall** be taken into account.
- The Municipality may inspect the property occupied by the applicant and in respect of which municipal services are rendered to assess the merits of the application.
- Two (2) **State** Pensioners living together **shall** receive a 100% subsidy
- No interest shall be charged on arrear accounts
- Residents who receive the subsidy shall from thereafter be liable for the payment of any remaining outstanding amounts and account from thereon.
- The Council may implement any other procedures as may be deemed necessary from time to time as long as it is communicated with the public.

Households where verified total gross monthly income of **all** occupants over 18 years of **age** does not exceed R1 500, or such other amount as the council may from time to time determine, qualify for a subsidy on property rates and service charges for sewerage and refuse removal, and will additionally receive 6 kl of water per month.

The subsidies on rates and the specified service charges **will be** determined as part of **each** annual budget and in terms of the municipality's policies on tariffs.

In respect of water, a 100% subsidy up to 6 kl per household per month will apply; however, if consumption exceeds 6 kl per metering period (month) the consumer **will** be charged at normal **tariffs** for actual consumption on the quantity exceeding 6 kl. Water will be provided through individual meters. The first 6 kl **will** be free and **thereafter** a rate of cost plus % **determined by council will** be applicable.

Only **households** where the account **holder** or property owner has registered as indigent in terms of the municipality's annual registration programme, and whose registration has been accepted and entered into the register of indigents **shall** qualify for the above concessions.

A subsidy will **be** provided for service charges for sewerage and refuse removal. (The cost for subsidy **will** be determined as soon as the services have been put in place).

#### 4. AUDIT PROCESS

The process of auditing the indigent applications will be as follows:

- All indigent registrations **will** be audited.
- Should the **audit** establish that the person filed a **false** application this **will** be communicated to the Local Municipality (Ward Councillor) who **will** be required to confirm the facts within 14 days.
- If the Councillor confirms that a **false** application was **filed** the customer **will** be removed from the indigent register, the parked arrears **will** be reinstated onto the customer's account.
- If the Councillor confirms **that** the indigent application was correct then the customer **will remain** on the indigent register.
- Should the Councillor not confirm the status of the indigent application within the stipulated 14 days it **will** be assumed that the application was **false** and the customer **will be** removed from the indigent register.

A customer who submitted a false indigent application may be charged a penalty charge as **determined** by Council.

In **the** event of the death of an indigent customer the following procedures will apply:

- Proof of the **death** of a customer must be provided.
- The occupier of the property must be allowed to open an account.
- The occupier opening **the** new account must complete the required disconnection form for the deceased.
- After completing the** required disconnection form for the deceased the occupier must **complete the required** connection form for service provision and if applicable register as an indigent consumer.
- The new occupier of **the** property must pay the prescribed applicable consumer deposit and connection fees.
- The **process** of transferring the property to the new owner must be proceeded with.

When a non-indigent customer becomes indigent the debt of the customer, excluding the current year's charges must **be** parked. Interest on arrear charges will not be applicable to indigent customer accounts.

#### 5. NON-COMPLIANCE OF HOUSEHOLDS REGISTERED AS INDIGENT

When a property owner or accountholder who has registered as an indigent **fails** to comply with any arrangements or conditions materially relevant to the receipt of indigency relief, such person **will** forfeit his or her status as a registered indigent with **immediate** effect, and will thereafter be treated as an ordinary residential property owner or accountholder for the financial year concerned.

The onus is on each registered indigent to advise the municipality of such failure to comply.

It may happen that even with the introduction of the indigent policy, certain households may **fall** into arrears in respect of the amounts due by them. The property owner or accountholder concerned **will** have to make immediate arrangements with the municipal manager and Water Service Provider to pay off these arrears owing within a reasonable time determined in terms of the municipality's credit control policy.

#### **6. WITHDRAWAL OF AND NON-QUALIFICATION FOR INDIGENT SUBSIDY**

The relief to indigents may be withdrawn at the discretion of the municipal manager and or Water Services Provider if:

- a registered indigent who qualifies for such relief **fails** to keep to the terms of **the** policy agreement; or
- any tampering with the installations of **the** municipality is detected.

If a registered indigent is found to have provided fraudulent information to the municipality in regard to any material condition for registration as an indigent, such person shall immediately be removed from the register of indigents, and shall be **liable** to repay to the municipality with **immediate effect all** indigency relief received from the date of such fraudulent registration. Furthermore, such person may not again be considered for indigency relief for a period extending for 2 (two) years beyond the financial year in which the misdemeanour is detected.

#### **7. FREE BASIC SERVICES POLICIES**

Council will provide free basic services to domestic debtors, on a monthly **basis** in quantities as determined from time to time. The commencement **date** hereof will be communicated to the public in due course.

All **subsidies** will be provided in line with each **local** municipality within the Joe Gqabi districts policy until the commencement date has been communicated.

#### **8. APPEAL PROCEDURES**

An appeal must be submitted

- in writing to the municipal manager or CFO
- prior to the final due **date** for payment of the contested amount and
- must contain **details** of the specific item(s) on the account which are the subject of appeal

Once the appeal is lodged, the debtor's obligation to pay the portion of the total amount due represented by the items appealed against is suspended until the appeal has been finalised. In **the** mean time, the debtor will remain liable for all the other amounts becoming due during the process of the appeal.

If the appeal is in respect of a metered consumption, the metering instrument must be **tested** within 7 days of lodging the appeal to establish its accuracy.

The **debtor** should be informed in writing of the results and any adjustments to the amount due by him/her, together with the cost of the test, for which the debtor will be **liable** if no error was found with the instrument. If the instrument was found to be faulty the municipality will bear the cost of the test.

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