
CHANGES TO POLICIES & BYLAWS

DEPARTMENT: FINANCE

ROUTING

COUNCIL MEETING:

1. PURPOSE

To consider the implementation/adoption of Council's Draft Tariff Policy, Draft Indigent Policy, Draft Customer Care and Management, Draft Credit Control & Debt Collection and Draft Water Service Bylaws in accordance with Section 74, 95, 96, 97 & 98 of the Municipal Systems Act, 32 (2000).

2. BACKGROUND

Annexure 1, 2, 3, 4 & 5 attached represents the Draft Tariff Policy, Draft indigent Policy, Draft Customer Care and Management, Draft Credit Control & Debt Collection and Draft Water Service Bylaws compiled for adoption and implementation in terms of Section 74, 95, 96, 97 & 98 of the Local Government, Municipal Systems Act, 32 (2000), The Draft Tariff Policy covers, among other things, the levying of fees for municipal services provided by this municipality itself and by way of service delivery agreements.

The following was added on Draft Tariff Policy:

5.5 Where a meter exists at a residential complex, the tariff will apply to that meter and a number of units in the complex will not be taken into account when calculating the monthly water charge for the complex. Unless each unit has got its own water meter connection.

6.4 The following charges and tariffs shall be considered as regulatory or punitive, and shall be determined as appropriate in each annual budget:

- Penalty and other charges imposed in terms of the approved policy on credit control and debt collection
- Penalty charges for the submission of dishonoured, stale, post-dated or otherwise unacceptable cheques.

And attached to the policy are new rates for services for the next financial year (Annexure 2: Tariff Charges).

Draft Indigent Policy:

The previous adopted Indigent Policy was replaced by Annexure 2.

Draft Customer Care and Management Policy:

This is a new policy for UMzinyathi district municipality since we took over Customer Care service as per Annexure 3.

Draft Credit Control & Debt Collection Policy:

Addition to the previous policy is PART 19. REVENUE CLEARANCE CERTIFICATES. Changes made on part 2 (2.2) was to replace provision of bad debts of 5% with: will be calculated in terms of the relevant generally recognized accounting practice. Part 8 (8.2) Defaulting consumers shall be allowed up to maximum period of 24 months instead of 3 months. Part 15 (15.1) Interest shall be charged on all arrear accounts at the rate as determined by council during the annual budget, replaces prevailing overdraft rate offered by the municipality's bankers plus 2%. As per Annexure 4.

Draft Bylaws:

Additions to the previous bylaws were:

4. Application for water services:

- (2) An application for the use of water services approved by the Council constitutes an agreement between the Council and the applicant, the application will only be accepted from the owner and takes effect on the date referred to in the application.

6. Prescribed tariffs and charges for water services

- 6.13 Where a meter exists at a residential complex, the tariff will apply to that meter and a number of units in the complex will not be taken into account when calculating the monthly water charge for the complex. Unless each unit has got its own water meter connection.

These policies has been compiled taking into account, where applicable, the guidelines set out in Section 74, 95, 96, 97 & 98 of the Local Government, Municipal Systems Act, 32 (2000).

3. REPORT

Attached are policies with changes made to them.

4. RECOMMENDATIONS

1. That the Policies and Bylaws as submitted be adopted.
2. The amendment to the conclusion of the policy to read correctly be noted.
3. And the policies are in line with the bylaws.

FOR CONSIDERATION

B.B. MDLETSHE
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