



BILLING POLICY
2020/2021 FINANCIAL YEAR



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1. DEFINITIONS

“Accounting Officer” means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act.

“Actual Consumption” means the measured consumption by a customer of a municipal service.

“Applicable Charges” means the rate (including the cent in the rand for property rates) charges, tariffs or subsidies determined by council.

“Annually” means once every financial year.

“Arrangement” means a written agreement entered into between the Municipality and the customer where specific repayment terms are agreed to. Such arrangements do not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act but is deemed to be Incidental Credit as envisaged in terms of section 4(6)(b) read with section 5(2) and (3) of the National Credit Act.

“Arrears” means those property rates (rates) and service charges that have not been paid by the due date and for which no arrangement has been made.

“Authorised Representative” means a person or delegated person legally appointed by the Municipality to act or to fulfill a duty on its behalf.

“Availability Charges” means a fixed monthly or annual charge levied against the account holder which is based on the cost for providing a municipal service to the premises of the account holder.

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

“Billing” refers to the process of charging for service provided by issuing accounts.

“Billing Date” means the date upon which the monthly statement is generated and debited to the customer's account.

“Business and Commercial Property” means -

- property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity; or
- property on which the administration of the business of private or public entities take place.

“By-law” shall mean legislation passed by the council of the Municipality, and which shall be binding on the Municipality and on the persons and institutions to which it applies.

"Chief Financial Officer" means the person appointed as the Chief Financial Officer or the person appointed to act in the position of Chief Financial Officer of the Municipality, or his or her nominee.

"Consolidated Account" means an account which is a consolidation of any separate accounts of a person who is liable for payment to the Municipality.

"Council" means the Council of the Midvaal Local Municipality.

“Councillor” shall mean a member of the Council of the Midvaal Local Municipality.

“Connection” means the point at which a customer gains access to municipal services.

"Customer" means the occupier of any premises to which the Municipality has agreed to supply or is actually supplying municipal services to, or if no occupier can be identified or located, then the owner of the premises.

“Disconnections” means interrupting the supply of water and electricity to a debtor as a result for non-payment of an account or outstanding Consumer Deposit.

“Defaulter” means any person who fails to make payment to the municipality by the due date. owes arrears to the Municipality.

“Delivery Date” shall mean the date on which the periodic account is delivered to the customer or 3 days after the date on which the account was posted, whichever is the first.

“Domestic Customer or User” of municipal services means a customer who occupies a dwelling, structure or premises primarily for residential purposes

“Due Date” in relation to rates and services -

(a) rates due in respect of any immovable property, means: -

(i) the date for payment indicated on the account,

(ii) in the case where rates and services are levied on a monthly basis, the due date shall always be the 7th of each month.

“Dwelling” means a building, structure or place of shelter to live in or conduct business from.

“Electricity Charges” means service charges in respect of the provision of electricity.

“Executive Mayor” means the Executive Mayor of the municipality.

“Financial Year” shall mean the period starting from 1 July in any year and ending on 30 June of the following year.

“Indigent Customer” means the head of an indigent household: -

(a) who makes application for indigent support in terms of Council's Indigent Policy on behalf of all members of his or her household.

(b) who applied for and has been declared indigent in terms of Council's Indigent Policy for the provision of services from the Municipality; and

“Indigent Policy” means the Indigent Policy adopted by the Council of the Municipality.

“Indigent Program” means a structured program for the provision of indigent support subsidies to qualifying indigent customers in terms of the Council's Indigent Policy.

“Illegal Connection” means a connection to any system through which a municipal service is provided and that is not authorised or approved by the municipality.

"Interest" means a charge levied with the same legal priority as service fees and calculated at a rate determined by council from time to time.

“Municipal Tariff” shall mean a tariff for services which the Municipality may set for the provision of a service to the local community, and may include a surcharge on such service.

“Tariffs for major services and minor tariffs” shall mean tariffs set for the supply and consumption or usage of electricity, water, sewerage and refuse removal, and minor tariffs shall mean all other tariffs, charges, fees, rentals or fines levied or imposed by the Municipality in respect of other services supplied including services incidental to the provision of the major services.

“Normal Office Hours” means the hours when the Chief Financial Officer’s offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays.

“Owner” in relation to immovable property means -

- (a) the person in whom is vested the legal title thereto provided that:-
 - (i) the lessee of immovable property which is leased for a period of not less than thirty years, whether the lease is registered or not, shall be deemed to be the owner thereof;
 - (ii) the occupier of immovable property occupied under a service servitude or right analogous thereto, shall be deemed to be the owner thereof;
- (b) if the owner is deceased or insolvent or has assigned his or her estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, shall be deemed to be the owner thereof.

“Person” means a natural and juristic person, including any department of state, statutory bodies or foreign embassies.

“Service Delivery Agreement” means an agreement between the Municipality and an institution or persons mentioned in section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.

"Sundry Customer Accounts" means accounts raised for miscellaneous charges for services provided by the Municipality or charges that were raised against a person as a result of an action by a person, and were raised in terms of Council's policies, bylaws and decisions.

“Tampering and bypassing” means unauthorised reconnection of a supply that has been disconnected for non-payment, the interference with the supply mains or bypassing of the metering equipment to obtain unmetered service.

2. ABBREVIATIONS

AO	Accounting Officer
CFO	Chief Financial Officer
EM	Executive Mayor
MFMA	Municipal Finance Management Act 56 of 2003 (as amended)
MPRA	Municipal Property Rates Act 6 of 2004 (as amended)
MSA	Municipal Systems Act 32 of 2000 (as amended)
NCA	National Credit Act 34 of 2005 (as amended)
VAT	Value Added Tax Act 89 of 1991 (as amended)
IBT	Inclining Block Tariff

3. PREAMBLE

Whereas section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*the Constitution*) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

And whereas section 4 (1) (c) of the Local Government: Municipal Systems Act 32 of 2000, as amended (*the Systems Act*) provides that the Council of a Municipality has the right to finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

And whereas section 5 (1) (g), read with subsection (2) (b) of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides, provided that, where applicable and subject to the policy for indigent customers, pay promptly for services charges levied, surcharges on fees, other taxes, levies and duties imposed by the municipality;

And whereas Chapter 9, sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, and the responsibility for Debt Collection of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority, respectively.

Now therefore the Municipal Council of Midvaal Local Municipality adopts the following policy regarding Billing of Services to Customers.

4. OBJECTIVE OF THE POLICY

Section 95 of the Local Government: Municipal Systems Act, 32 of 2000 (hereinafter referred to as the MSA) requires the Municipality to:

- 4.1 establish a sound customer management system;
- 4.2 establish mechanisms for users of services and ratepayers to give feedback to the municipality regarding the quality of services;

- 4.3 take reasonable steps to ensure that users of services are informed of the costs of service provision, the reason for the payment of service fees, and the manner in which monies are utilised;
- 4.4 take reasonable steps to ensure the accurate measurement of consumption of services;
- 4.5 ensure the receipt by persons liable for payments of regular and accurate accounts that indicate the basis for calculating the amounts due;
- 4.6 provide accessible mechanisms for those persons to query or verify accounts and metered consumption, and appeal procedures which allow for prompt redress for inaccurate accounts;
- 4.7 provide accessible mechanisms for dealing with complaints, prompt replies and corrective action;
- 4.8 provide mechanisms to monitor response times to such complaints;
- 4.9 Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.

5. UNDERLYING PRINCIPLES OF THIS POLICY

The principles of Billing in the Municipality are:-

- 5.1 The administrative integrity of the Municipality must be maintained at all times.
- 5.2 This policy must have the full support of Council.
- 5.3 Councillors must have full knowledge of the implementation and enforcement of the policy.
- 5.4 Customers must be informed of the contents of this policy.

- 5.5 Customers must apply for services from the Municipality by the completion of the prescribed application form.
- 5.6 A person liable for property rates and consumption levies must furnish the municipality with an address where correspondence can be directed to and remains his / her responsibility to enquire with the municipality if the account is not rendered
- 5.7 Customers must receive regular and accurate accounts that indicate the basis for calculating the amounts due. The customer is entitled to have the details of the account explained upon request.
- 5.8 Customers must pay their accounts regularly on or before the due date.
- 5.9 Customers are entitled to reasonable access to pay points and to a variety of reliable payment methods.
- 5.10 Customers are entitled to an efficient, effective and reasonable response to appeals, and should not suffer any disadvantage during the processing of a reasonable appeal.
- 5.11 Debt collection action will be instituted promptly, consistently, and effectively without exception and with the intention of proceeding until the debt, including the cost of collection, is recovered.
- 5.12 All tariffs to calculate Property Rates, Electricity and Water consumption, Sewer and Refuse collection charges are determined annually, approved by Council and contained in the Tariff booklet produced by the Municipality.

6. LEGISLATIVE FRAMEWORK

The legal framework central to Billing and the functioning of municipalities is contained in various pieces of legislation, some of which is briefly outlined in the section to follow.

6.1 Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

The Constitution of the Republic of South Africa, 1996, (Act 108 of 1996), is the supreme law of the Republic, any law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. The right to sufficient water and appropriate assistance where one is unable to support them and their dependents is enshrined in the Constitution. In this instance the state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of these rights.

The objectives of local government are set out in Section 152 of the Constitution and include:

- 6.1.1 providing a democratic and accountable government for local communities;
- 6.1.2 provision of services to communities in a sustainable manner;
- 6.1.3 promoting social and economic development;
- 6.1.4 promoting a safe and healthy environment; and
- 6.1.5 encouraging the involvement of communities and community organisations in the matters of local government.

Furthermore, a municipality must achieve these objectives within its financial and administrative capacity. It is therefore within the powers and functions of a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of a municipality as it aims to achieve its objective of providing services to communities in a sustainable manner.

6.2 Electricity Regulation Act, 2006 (4 of 2006)

The Electricity Regulation Act, 2006 (4 of 2006) prohibits a municipality (licensee) from reducing or terminating the supply of electricity unless;

- 6.2.1 the customer is insolvent,
- 6.2.2 the customer has failed to honour, or refuses to enter into, an agreement for the supply of electricity; or
- 6.2.3 the customer has contravened the payment conditions of that licensee.

As such, the municipality must ensure that it enters into service agreements with its customers for the supply of services, including electricity, and that these agreements clearly spell out the service and payment terms and conditions which the customer will be subject to.

6.3 Water Services Act, 1997 (Act 108 of 1997)

The main objective of this Act is to provide for the right of access to “basic water supply” and “basic sanitation” necessary to ensure sufficient water and an environment not harmful to health or well-being. The responsibility lies on the municipality as a water services authority to take reasonable measures to realise these rights.

Basic water supply refers to the prescribed minimum standard of water supply services necessary to support life and personal hygiene. A municipality cannot deny any person access to basic water services due to non-payment, where that person proves, to the satisfaction of the municipality, that they are unable to afford to pay for basic services. The implication for municipalities is that they cannot disconnect or discontinue services beyond the basic water supply as defined but may limit/restrict the flow of water to a property.

6.4 Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

The Municipal Finance Management Act (Act 56 of 2000) places responsibility on the Municipal Manager as the Accounting Officer to ensure that a municipality has and implements a Credit Control and Debt Collection Policy. As an Accounting Officer, the Municipal Manager is also responsible for the management of the revenue of the municipality and is under obligation to take all reasonable steps to ensure that the municipality has effective revenue collection systems consistent with Section 95 of the Municipal Systems Act and the municipality’s Credit Control and Debt Collection Policy. Further that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget-related policies.

6.5 Local Government: Municipal Structures Amendment Act, (Act 117 of 1998 as amended)

The Municipal Structures Act 117 of 1998 sets out the powers and function of municipalities where District Municipalities were tasked with the supply of potable water, bulk electricity, sewerage and waste disposal. With the **Municipal Structures Amendment Act, 2000 (Act 33 of 2000)**, these functions are now performed by both the District and Local Municipalities based on the locality of the municipality.

6.6 Local Government: Municipal Property Rates Act, (Act 6 of 2004) as amended

The Act aims to regulate the powers of municipalities to impose rates on property. As required by the Act, the council of a municipality must adopt a rates policy and pass bylaws to enable the municipality to levy rates on all rate-able properties in its area as required.

The owner of a property is liable for the payment of a rate levied by a municipality on the property, subject to the municipality's Credit Control and Debt Collection Policy. The municipality may recover any unpaid rates on the property from the tenant, occupier or agent of the owner after serving them with a written notice. This is irrespective of any contractual obligation that might exist with the owner and is limited to the rent or money due and payable.

6.7 Municipal By-laws

Section 160(4) of the Constitution provides that no bylaw may be passed by a Municipal Council unless all the members of the Council have been given reasonable notice; and the proposed bylaw has been published for public comment.

Only once the by law has been published in the official gazette of the relevant province can it be enforceable.

Where there are no changes to the bylaws, there is no need for it to be published in the official gazette of the relevant province.

Further, Section 90 of the Municipal Systems Act requires municipalities to adopt credit control and debt collection bylaws in order to give effect to the policy and to give the municipality

legislative powers to enforce the policy. These bylaws may differentiate between categories of ratepayers, user of service, debtors, taxes, services, service standards and other matters, as long as the differentiation does not amount to unfair discrimination.

6.8 Local Government: Municipal Systems Act (Act 32 of 2000)

The Act requires a municipality to collect all money due and payable to it, and in so doing a municipality must adopt, maintain and implement a credit control and debt collection policy. A municipality is empowered by the Act to levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and to recover collection charges and interest on any outstanding amount subject to the provisions of the National Credit Act. The Act further outlines the contents required of a municipal credit control and debt collection policy.

7. SUPERVISORY AUTHORITY

7.1 As provided by section 99 of the Systems Act, the Executive Mayor of the municipality is responsible for overseeing and monitoring:

7.1.1 The implementation and enforcement of this policy; and

7.1.2 The performance of the Municipal Manager in implementing this

7.2 The Executive Mayor shall at least once a year cause an evaluation or review of this policy and the by-law to be performed, in order to improve the efficiency of the municipality's Billing processes and procedures, as well as the implementation of this policy.

8. IMPLEMENTING AUTHORITY

8.1 As contemplated in Section 100 of the Systems Act, the Municipal Manager: -

8.1.1 Implements and enforces the Billing policy.

8.1.2 Must establish effective administration mechanisms, processes and procedures to

bill amounts that are due and payable to the Municipality.

- 8.1.3 Where necessary make recommendations to the Executive Mayor with the aim of improving the efficiency of the billing mechanisms, processes and procedures.
- 8.1.4 Establish effective communication between the Municipality and account holders with the aim of keeping account holders abreast of all decisions by Council that may affect account holders.
- 8.1.5 Establish customer service centres, located in such communities as determined by the Municipal Manager.
- 8.1.6 Convey to account holder's information relating to the costs involved in service provision, and how funds received for the payment of services are utilised, and may where necessary employ the services of local media to convey such information.
- 8.2 The Municipal Manager may, in writing, delegate any of the powers entrusted or delegated to him or her in terms of Council's Billing policy to the Chief Financial Officer.
- 8.3 A delegation in terms of subsection (2): -
 - 8.3.1 Is subject to any limitations or conditions that the Municipal Manager may impose;
 - 8.3.2 May authorise the Chief Financial Officer in writing, to sub-delegate duties and responsibilities to the Director Income.
 - 8.3.3 The delegation does not divest the Municipal Manager of the responsibility concerning the exercise of the delegated power.
- 8.4 The Chief Financial Officer is accountable to the Municipal Manager for the implementation, enforcement and administration of this policy, and the general exercise of his powers in terms of this policy.
- 8.5 The Director Income shall be accountable to the Chief Financial Officer for the sections of this policy delegated to the Director Income in terms of the MFMA section 82.

9. APPLICATION FOR THE PROVISION OF MUNICIPAL SERVICES

- 9.1 A customer who requires the provision of municipal services must apply for the service from the Municipality. The application must be made on the prescribed form.
- 9.2 The application for the provision of municipal services must be made by the registered owner of immovable property. An applicant can apply for the connection of services (water and electricity) without approved building plans.
- 9.3 The Municipality will not entertain an application for the provision of municipal services by a tenant of a property, or any other person who is not the owner of the property. The only exception will be: -
- 9.3.1 Individuals and Businesses with lease agreements to lease properties from the Municipality;
- 9.3.2 Government Departments;
- 9.3.3 Body Corporates who take the responsibility for the payment of basic water, basic sewer and refuse removal services on behalf of the individual sectional title owners; and
- 9.3.4 Approved Indigent Customers for the purposes of registering and allocating the applicable subsidy to qualified indigent customers who will be allowed to open an account in the name of the lessee of the property.
- 9.4 In case of existing arrangements where tenants have existing accounts, and the tenant is guilty of non-payment, the owner will be liable for the outstanding debt, except where the property concerned is owned by the Municipality.
- 9.5 In terms of section 102(3) of the Municipal Systems Act the Municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to such a property if the owner requests such accounts in writing from the Municipality.

- 9.6 An agent may with a proxy open an account in the name of the owner.
- 9.7 The application for the provision of municipal services must be made in writing on the prescribed application form that is provided by the Municipality.
- 9.8 By completing the prescribed application form for the provision of municipal services the consumer of services enters into an agreement with the Municipality. Such agreement does not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act (NCA) but shall be incidental credit as envisaged in terms of section 4(6)(b) of the NCA, to which the NCA will only apply to the extent as stipulated in section 5 of the NCA.
- 9.9 The agreement with the Municipality makes provision for the following:-
- 9.9.1 An undertaking by the occupier or the owner that he or she will be liable for collection costs including administration fees, interest, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date on the attorney and client scale;
- 9.9.2 An acknowledgement by the occupier or the owner that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account;
- 9.9.3 That the onus will be on the occupier or the owner to ensure that he or she is in possession of an account before the due date; and
- 9.9.4 An undertaking by the Municipality that it shall do everything in its power to deliver accounts timeously.
- 9.10 The application for the provision of municipal services shall be made at least fourteen (14) days prior to the date on which the services are required to be connected.
- 9.11 On receipt of the application for provision of municipal services, the Municipality will cause the reading of metered services linked to the property to be taken on the working day after the application.

- 9.12 The first account for services will be rendered after the first meter reading cycle to be billed following the date of signing the service agreement.
- 9.13 In case of new buildings being erected and a connection is made for the first time to the main service lines the metering and levying of services actually consumed or received will take place as follow: -
- 9.13.1 Charges for sewer will be levied with effect from the date when the property is registered in the deeds office and a connection is available.
- 9.13.2 Refuse removal charges will be levied with effect from the date of the Occupancy Certificate issued by the Building Control Section.

10. DEPOSITS AND GUARANTEES

- 10.1 At the time of registration as a customer, a deposit will be required based on the criteria set by the Chief Financial Officer from time to time.
- 10.2 The Chief Financial Officer may accept an irrevocable bank guarantee in lieu of a deposit on application for the provision of municipal services at his / her own discretion and in exceptional cases in pursuance of local economic development.
- 10.3 Existing customers moving to a new address are required to pay the prescribed customer deposit on application for the provision of municipal services at the new address.
- 10.4 All existing guarantees less than R100 000 in lieu of cash deposits must be converted to cash deposits before 30 June 2021 With effect from the date of this policy all future deposits less than R100 000 must be cash deposits.10.5 Arrangements for the payment of the deposit shall be entered into only with the approval of the Director Income.
- 10.6 Deposits levied not paid within a three (3) month period after being levied will result in

disconnection of the services until such time the deposit has been paid.

- 10.7 On termination of the supply of services the amount of the deposit less any payment due to the Municipality will be refunded to an account holder, provided that payments due are less than the deposit paid, and that the account holder has provided a forwarding address.
- 10.8 No interest will be paid on any deposit held by Council
- 10.9 Review of the Deposits
 - 10.9.1 The minimum amount for all new deposits shall be reviewed annually with the review of the tariffs.
 - 10.9.2 If the customer poses a credit risk, the value of the original deposit paid or a guarantee held may be reviewed from time to time by the Chief Financial Officer.
 - 10.9.3 The deposit on an account may be reviewed when:
 - 10.9.3.1 The account is paid after the due date
 - 10.9.3.2 Payment by negotiable instrument or direct debit, is dishonoured
 - 10.9.3.3 There is an increase in consumption of services

11. ACCOUNTS AND BILLING

- 11.1 The Municipality shall provide all customers with a monthly consolidated account for municipal service rendered as per Section 102 of the Municipal Systems Act, Act 32 of 2000. .
- 11.2 The monthly consolidated account can include property rates charges, in which case the account shall comply with section 27 of the Municipal Property Rates Act 6 of 2004.
- 11.3 All accounts rendered by the Municipality shall be payable on the due date.

- 11.4 Account balances which remain unpaid after 30 days from the delivery date of the account shall attract interest on arrears, irrespective of the reasons for non-payment.
- 11.5 All accounts are payable as above regardless of the fact that the customer has not received the account, the onus being on the customer to obtain a copy of the account before the due date.
- 11.6 Accounts will be rendered using either one of the following channels ;
- 11.6.1 Conventional postal services,
- 11.6.2 Hand delivery at the premises
- 11.6.3 By means of an email if so requested by the customer or
- 11.6.4 By means of Multimedia system (MMS) if the account holder is registered for such a service

12. PROPERTY RATES

- 12.1 Property Rates shall be billed annually and maybe recovered annually or monthly, as determined by the Municipality.
- 12.2 Property rates which are billed and recovered annually shall be billed in the July account of each year.
- 12.3 Property rates for a specific financial year may be recovered in twelve monthly instalments to assist its customers.
- 12.4 Property rates may be paid in full at the beginning of the financial year or settled over a period which does not exceed twelve months

13. ELECTRICITY

- 13.1 The provisions of this policy, in respect of the supply of electricity to a customer, shall constitute the payment conditions of the Municipality as licensee, contemplated in section 21(5) of the Electricity Regulation Act 4 of 2006.

13.2 Service charges in respect of electricity shall be determined in accordance with metered consumption.

13.3 Monthly accounts shall be rendered for electricity consumption and the customer shall effect payment thereof by the due date.

14. WATER CHARGES

14.1 The provisions of this policy, in respect of the supply of water to a customer, shall constitute the payment conditions of the Municipality as water services authority and water services provider, contemplated in sections 4 and 21 of the Water Services Act 108 of 1997.

14.2 Service charges in respect of water shall be determined in accordance with metered consumption.

14.3 Monthly accounts shall be rendered for water consumption and the customer shall effect payment thereof by the due date.

15. REFUSE AND SEWER CHARGES

15.1 Monthly accounts shall be rendered for Refuse and Sewer charges

16. SUNDRY CUSTOMER ACCOUNTS

16.1 Sundry customer accounts may be rendered by the Municipality from time to time.

16.2 Any sundry customer account may be included in the monthly consolidated account produced by the Municipality in terms of section 102 of the Municipal Systems Act, 32 of 2000,

17. FINAL ACCOUNTS

- 17.1 Upon receipt of a customer's application for the termination of municipal services, the Municipality shall: -
- 17.1.1 Take final readings in respect of metered municipal services;
 - 17.1.2 Prepare and render a final account;
 - 17.1.3 Appropriate the customer deposit towards the reduction or settlement of any outstanding amount owed by the customer; and
 - 17.1.4 Return the customer deposit to the customer in the event that all amounts owing to the municipality have been settled in full.
 - 17.1.5 The water and / or electricity services will be disconnected with a final reading taken until such time the new owner signs a new services agreement.

18. METERING OF MUNICIPAL SERVICES

- 18.1 The Municipality may introduce various types of metering equipment and options, and may encourage customers to convert to a system which is preferred by the Council when Council considers this to be beneficial to its functioning and operations.
- 18.2 Electricity and water consumption is measured with conventional and prepayment meters.
- 18.3 Customers may apply to Council for the installation of a prepayment electricity meter in place of a conventional meter at the cost of the customer, subject to the account of customer being paid in full.

- 18.4 Where a customer has successfully applied for indigent status the conventional meter for electricity will be changed to a prepayment electricity meter at the cost of the Council.
- 18.5 The following applies to the reading of conventional meters: -
- 18.5.1 Conventional electricity and water meters are read at in cycles of approximately 30 days.
- 18.5.2 If for any reason the conventional electricity and water meters cannot be read, the Municipality will render an account based on interim consumption. The interim amount will be based on the average of the previous 6 months' consumption.
- 18.5.3 The amount based on interim consumption will be adjusted in a subsequent account based on the actual consumption.
- 18.5.4 The customer is responsible to ensure unhindered access to metering equipment for the purposes of obtaining the meter readings for billing purposes.
- 18.5.5 Customers can, for reasons of non-accessibility to their properties by meter readers, provide the Municipality with monthly meter readings for billing purposes. Customers can phone in or email the above information to billing personnel with their readings and a photo will be compulsory with the meter number and the reading clearly visible
- 18.5.6 Should the customer fail to provide the municipality with the meter readings, the meter number and the photo of the meter, the following will apply;
- (a) A letter requesting access to the meter will be hand delivered or left at the gate by the premises.
 - (b) If the municipality does not receive readings as requested within seven (7) days then the service will be terminated until the requested information is provided to the municipality.

18.5.7 If any calculation, reading or metering error is discovered, or an actual meter reading is obtained in cases where the Municipality did not have access to the meter, in respect of any account rendered to a customer: -

18.5.7.1 The error shall be corrected or the adjustment made in the subsequent account;

18.5.7.2 Any such correction / adjustment in favour of Council may apply in respect of an account from a date no more than 3 years for municipal services from the date on which the error on the account was discovered or the adjustment were done. All interims levied during this period will be reversed.

18.5.7.3 any such correction / adjustment in favour of the customer may apply in respect of an account from a date no more than 3 years for municipal services from the date on which the error on the account was discovered or the adjustment were done.

18.5.7.4 The correction shall be based on the tariffs applicable during the period in which the error occurred.

18.5.8 Any water leakage within the property of the customer (consumer's side of the meter) will be the responsibility of the customer and the customer will be liable for the payment of the water that has leaked .

18.6 The following applies to prepayment metering: -

18.6.1 Prepayment electricity and water is purchased at prepayment vending points for consumption after the date of purchase.

18.6.2 Amounts tendered for the purchase of prepayment electricity and water will not be refunded after the prepayment meter voucher has been produced.

18.6.3 On request of the customer, copies of the previous prepayment meter vouchers will be produced. Lost vouchers will not be replaced under any circumstances.

18.6.4 Credits remaining in the prepayment meter will not be refunded when the premises are vacated by a customer.

- 18.6.5 The Municipality shall not be liable for the reinstatement of credit in a prepayment meter due to tampering with, or the incorrect use or abuse, of prepayment meters.
- 18.6.6 The Municipality may appoint vendors for the sale of prepaid electricity and water vouchers, but does not guarantee the continued operation of any vendor.
- 18.6.7 The Municipality may apply all the debt collection functions available on the prepayment system to collect all arrear debt on the account of the customer.
- 18.6.8 The municipality reserves the right to allocate a proportion of the prepayment amount towards any other arrears that remain owing to the municipality

19. PAYMENT OF ACCOUNTS

19.1 All accounts rendered by Midvaal Local Municipality shall be payable by no later than the 7th of each month.

19.1 The Municipality has established the following accessible Pay Points and other mechanisms for settling accounts:

Direct Deposits towards Midvaal Local Municipality's Bank Account

Various Cashier Pay Points.

Third Party payments such as:

- EasyPay
- Post Office
- Pick & Pay
- Checkers
- Shoprite

19.2 Account balances which remain unpaid after 30 days from the due date shall attract interest on arrears irrespective of the reason for non-payment.

19.3 All accounts are payable by the due date regardless of the fact that the customer may not have received the account; the onus being on the customer to obtain a copy or the balance on the account before the due date.

19.4 Payments received in respect of rates and service charges will be allocated by the CFO of Midvaal Local Municipality entirely within his or her discretion, on the account of the customer.

20. INTEREST ON ARREAR DEBT

20.1 Interest charges will be raised on all amounts that remain unpaid for longer than 30 days from the due date..

20.2 The interest rate is determined by the Chief Financial Officer and is reviewed annually

with the review of the Sundry Tariffs. Interest shall accrue for each completed month in respect of any amounts unpaid after 30 days of the due date.. A part of a month shall be deemed to be a completed month.

- 20.3 Payments on assessed / estimated charges, where the final amount has not been determined but which would have been due and payable had the amount been determined, shall attract interest from the date when it would have been so due and payable, i.e. 30 days from the due date of the account.
- 20.4 Interest may only be reversed under the following circumstances:
- 20.5 If the Municipality has made an administrative error on the account
- 20.6.1 Where the Chief Financial Officer approves such reversal from time to time in terms of interest waiver scheme.

21. DISPUTES AND APPEALS

- 21.1 In this policy “dispute” refers to the instance when a debtor questions the correctness of any account rendered by the Municipality with the Municipal Manager as per the process in sub-item (2) below.
- 21.2 In order for a dispute to be registered with the municipality, the following procedures must be followed:
 - 21.2.1 By the customer
 - 21.2.1.1 The dispute must be submitted in writing
 - 21.2.1.2 No dispute will be registered verbally whether in person or over the telephone.
 - 21.2.1.3 The customer must furnish full personal particulars including all account numbers held with the Municipality, direct contact telephone number, fax-number, postal and e-mail addresses and any other relevant particulars required by the municipality.

21.2.1.4 The full nature of the dispute must be described in the correspondence referred to above.

21.2.1.5 The onus will be on the debtor to ensure that he receives a written acknowledgement of the dispute.

21.2.1.6 The debtor will remain liable for the payment of the amount(s) that are not in dispute, on or before the due date for the account rendered.

21.2.2 By the Municipality:

21.2.2.1 On receipt of the dispute the following actions are to be taken:

21.2.2.2 A written acknowledgement of the receipt of the dispute must be provided to the debtor.

21.2.2.3 The amount payable by the debtor for the specific month of the dispute and inform the debtor that all accounts thereafter must be paid in full.

21.2.2.4 Specify the time to resolve the dispute - disputes must be resolved within 3 (three) months

21.2.2.5 The dispute must be registered in a dispute register

21.2.2.6 Inform the Debt Collection Department of the dispute

21.2.2.7 Ensure that all relevant information received is rectified accordingly on the financial system

21.2.2.8 Conduct checks or follow-ups on the progress of all disputes

21.3 The following provisions apply to the consideration of disputes:

21.3.1 All disputes must be concluded by the Municipal Manager or delegated official

- 21.3.2 The Municipal Manager's or the delegated official's decision is final and will result in the immediate implementation of any debt collection and credit control measures provided for in this Policy after the debtor is provided with the outcome of the appeal.
- 21.3.3 The same debt will not again be defined as a dispute in terms of this paragraph and will not be reconsidered as the subject of a dispute.
- 21.3.4 Should the debtor not be satisfied with the outcome of the dispute, a debtor may lodge an appeal in terms of section 62 of the Systems Act.
- 21.4 The Municipality reserves the right to declare a dispute on any account as may be deemed necessary.
- 21.5 Any customer may appeal to the Council against the accuracy of an amount reflected in a particular account within one month after receiving the account
- 21.6 Appeals are made by way of written representation to the Council
- 21.7 In the event of a customer alleging that any meter, measuring device or service connection is defective or inaccurate, the Council may arrange for the meter, measuring device or service connection to be inspected and tested. Should the meter, measuring device or service connection prove not to be defective or inaccurate by more than 5%, the costs of carrying out the inspection and test are to be borne by the customer who requested the inspection and test.
- 21.8 Out of court settlement offers by debtors against whom legal action is pending can be considered after consultation with Councils legal representatives, if it is in the best financial interest of the Council.

22. PRIMA FACIE EVIDENCE

22.1 A certificate endorsed by the municipal manager, reflecting the amount due and payable to the Municipality, shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness reflected therein.

23. POWER OF ENTRY AND INSPECTION

23.1 For any purpose related to the implementation or enforcement of this policy, and at all reasonable times, or in an emergency, a duly authorised representative of the Municipality may enter premises, request information and carry out such inspection or examination, as he or she may deem necessary: -

23.1.1 With regard to the installation or repair of any meter or service connection or reticulation; or

23.1.2 So as to limit, discontinue, disconnect or reconnect the provision of any service.

23.2 If the Municipality considers it necessary that work be performed to enable the afore stated authorised representative to perform a function referred to in subsection (1) properly and effectively, then it may: -

23.2.1 By written notice require the owner or occupier of the premises, at his or her own expense, to do specific work within a specified period; or

23.2.2 If, in its reasonable opinion, the situation is a matter of urgency, then the Municipality may do such work, or cause it to be done, at the expense of the owner or occupier, and without written notice.

23.3 If the work referred to in subsection (2)(b) above is carried out for the sole purpose of establishing whether a contravention of this policy has been committed, and no such contravention has taken place, then the Municipality shall bear the expense connected therewith, together with the expense of restoring the premises to its former condition.

24. IMPLEMENTATION AND REVIEW OF THIS POLICY

- 24.1 This policy shall be implemented once approved by Council. All future Billing Procedures must be made in accordance with this policy.
- 24.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on an annual basis and the reviewed policy tabled to Council for approval as part of the budget process.
- 24.3 The policy is effective from 1 July 2020.