



Western Cape Government • Wes-Kaapse Regering • URhulumente weNtshona Koloni

PROVINCE OF THE WESTERN CAPE

PROVINSIE WES-KAAP

Provincial Gazette Extraordinary

8006

Wednesday, 21 November 2018

Buitengewone Provinsiale Koerant

8006

Woensdag, 21 November 2018

Registered at the Post Office as a Newspaper

CONTENTS

*(*Reprints are obtainable at Room M21, Provincial Legislature Building, 7 Wale Street, Cape Town 8001.)*

Page

LOCAL AUTHORITY

George Municipality: Customer Care, Credit Control and Debt Collection By-law	2
George Municipality: Tariff By-law	10

MUNICIPALITY OF GEORGE

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION BY-LAW



PREAMBLE

WHEREAS Section 156(2) of the Constitution authorises a municipality to make and administer by-laws; and

WHEREAS Sections 95,96,97 and 98 of the Municipal System Act makes provision for Customer Care and management, the debt collection responsibility of a municipality by means of a policy and the adoption of a By-law to give effect to such policy;

NOW THEREFOR IT BE ENACTED by the council of the George Municipality, as follows:

1. DEFINITIONS

In this By-law, unless context indicates otherwise-

“arrangement” means a written agreement entered into between the Municipal Manager and a debtor where specific terms and conditions for the payments of a debt are agreed to;

“arrears” means any amount due and payable to the Municipality and not paid by the due date;

“Municipal Manager” means the person appointed by the Council as the Municipal Manager in terms of section 82 of the Local Government: Municipal Structures Act, No. 117 of 1998, and who also is the accounting officer in terms of the Local Government: Municipal Finance Management Act, No 56 of 2003, or any other official delegated by him or her;

“Council” means the council of the Municipality of George;

“debt” means any monies owing to the Municipality in respect of the rendering of municipal services, and includes monies owing in regard to property rates, housing, motor vehicle registration and licensing, terminated leases, and any other outstanding amounts, inclusive of any interest thereon, owing to the Municipality;

“debtor” means any person who owes a debt to the Municipality;

“due date” means the final date on which a payment, as shown on the debtor's municipal account, is due and payable;

“indigent debtor” means a debtor who meets certain criteria, as determined by the Municipality and included in the Indigent Policy from time to time;

“interest” means a rate of interest, charged on overdue accounts, which is one percent higher than the prime rate, which is obtainable from any commercial bank on request, unless determined otherwise by the Municipality, on capital, based on a full month and part of a month must be deemed to be a full month;

“official” means an **“official”** as defined in section 1 of the Local Government: Municipal Finance Management Act, No 56 of 2003;

“policy” means the Municipality’s Customer Care, Credit Control and Debt Collection policy;

“service” means “municipal service” as defined in section 1 of the Systems Act, and includes a function listed in Schedules 4B and 5B of the Constitution of the Republic of South Africa, 1996 and any other service rendered by the Municipality;

“Systems Act” means the Local Government: Municipal Systems Act, No 32 of 2000;

“third party debt collector” means any person persons authorised to collect monies or institute legal proceedings against debtors, on behalf of the Municipality;

“this By-law” includes the Customer Care, Credit Control and Debt Collection Policy;

“total household income” or **“household income”** means the total formal and informal gross income of all people living permanently or temporarily on the property on which the account is based; and

“user” means a person who has applied for and entered into an agreement with the Municipality for the supply of a service.

2. OBJECTIVE

The objective of the bylaw is to give effect to the implementation of the Customer Care, Credit Control and Debt Collection Policy, as contemplated in Section 98A of the Systems Act.

3. ADOPTION AND IMPLEMENTATION OF CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- (1) The municipality shall adopt and implement a Customer Care, Credit Control and Debt Collection Policy and any other applicable legislation.
- (2) The Municipality have a duty to collect all debt owing to the municipality in accordance with this by-law and policy.

4. PROVISION OF SERVICES

New applications for services and the provision of new services must be dealt with as prescribed in this By-Law and the policy.

5. SERVICE AGREEMENT

Except as otherwise determined in terms of this By-law and the policy, no services may be supplied until an agreement has been entered into between the Municipality and the user for the supply of a service.

6. DEPOSITS

The Municipality may require the payment of deposits for the provision of new services and the reconnection of services, or may adjust the amount of any existing deposit, as prescribed in this By-law and the policy.

7. INTEREST CHARGES

The Municipality may charge and recover in respect of any arrear debt, as prescribed in this By-law, policy and any other applicable legislation.

8. ARRANGEMENTS TO PAY ARREARS

- (1) The Municipal Manager may make arrangements with a debtor to pay any arrear debt under conditions as prescribed in terms of this By-law and the policy.
- (2) Should any dispute arise as to the amount of the arrear debt, the debtor must nevertheless continue to make regular payments, in terms of the arrangement, until such time as the dispute has been resolved.

9. AGREEMENTS WITH A DEBTOR'S EMPLOYER

The Municipal Manager may-

- (a) with the consent of a debtor, enter into an agreement with that person's employer to deduct from the salary of wages of that debtor-
 - (i) any outstanding amounts due by the debtor to the Municipality; or
 - (ii) regular monthly amounts as may be agreed; and
- (b) provide special incentives for-
 - (i) employers to enter into such agreements; and
 - (ii) debtors to consent to such agreements.

10. POWER TO RESTRICT OR DISCONNECT SUPPLY OF SERVICE

- (1) The Municipal Manager may restrict or disconnect the supply of any service to the premises of any user whenever such user of a service-
 - (a) fails to make payment on the due date;
 - (b) fails to comply with an arrangement; or
 - (c) fails to comply with a condition of supply imposed by the Municipality;
 - (d) tenders a negotiable instrument which is dishonoured by the bank, when presented for payment.
- (2) The Municipal Manager may reconnect and restore full levels of supply of any of the restricted or discontinued services only-
 - (a) after the arrear debt, including the costs of disconnection or reconnection, if any, have been paid in full and any other conditions has been complied with; or
 - (b) after an arrangement with the debtor has been concluded.

- (3) The Municipal Manager may restrict, disconnect or discontinue any service in respect of any arrear debt.

11. RECOVERY OF DEBT

- (1) Subject to Section 9, Municipal Manager, with regards to all debt must -
 - (a) by legal action recover any debt from any person; and
 - (b) recover debt from any organ of state with due consideration
 - (c) may refer a debtor to third party debt collection agencies and have such debtor placed on the National Credit Rating list.

12. RECOVERY OF COSTS

The Municipal Manager may recover the following costs, in instances where such costs are incurred by or on behalf of the Municipality;

- (a) cost and administration fees where payments made to the Municipality by negotiable instruments are dishonoured by banks when presented for payment;
- (b) legal and administration costs, including attorney-and-client costs and tracing fees incurred in the recovery of debts;
- (c) restriction, disconnection and reconnection fees, where any service has been restricted or disconnected as a result of non-compliance with this By-law;
- (d) any losses the Municipality may suffer as a result of tampering with municipal equipment or meters; and
- (e) any collection commission incurred.

13. ATTACHMENT

The Municipal Manager may, in order to recover debt, and as a last resort, approach a competent court for an order to attach a debtor's movable or immovable property.

14. CLAIM ON RENTAL FOR OUTSTANDING DEBT

The Municipal Manager may, in terms of Section 28 of the Municipal Property Rates Act, No 6 of 2004, attach any rent due in respect of any

rateable property, to cover in part or in full any amount in respect of all outstanding debt after the due date. Services may be restricted to ensure compliance.

15. FULL AND FINAL SETTLEMENT PAYMENTS

- 1) Any amount tendered in defrayment of a debt, will be accepted at any cash receiving office of the Municipality.
- 2) No offer of payment in full and final settlement of a debt, when such amount is less than the outstanding amount, must be accepted.
- 3) Notwithstanding subsection (2), the payment so offered must nevertheless be credited against the debtor's account, without prejudice to the Municipality's rights.

16. CONSOLIDATION OF A DEBTOR'S ACCOUNTS

- 1) The Municipal Manager may-
 - (a) consolidate any separate accounts of a debtor per property;
 - (b) credit a payment against any account of the debtor; and
 - (c) implement any of the measures provided for in this By-law and the policy, in relation to any arrears on any of the accounts of such debtor.
- 2) Subsection (1) does not apply where there is a dispute between the Municipality and a debtor referred to in that subsection concerning any specific amount claimed by the Municipality from that person.

17. INDIGENTS

A debtor, who can prove indigence, will be dealt with as prescribed in the policy.

18. DELEGATION

The Municipal Manager may delegate any of his or her powers in terms of this By-law or the policy to any employee or official of the Municipality subject to applicable legislation.

19. ENFORCEMENT OF CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

Any person who-

- (a) obstructs or hinders any official of the Municipality in the execution of his or her duties under this By-law or the policy;
- (b) unlawfully uses or interferes with Municipal equipment or consumption of services supplied;
- (c) tampers with any Municipal equipment or breaks any seal on a meter;
- (d) contravenes or fails to comply with the provisions of this By Law or the policy; or
- (e) fails to comply with a notice served in terms of this By-law or the policy, is guilty of an offence and liable in conviction to a penalty.

21. SHORT TITLE AND COMMENCEMENT

This By-Law may be cited as the customer care, credit control and debt collection By-Law and commences on the date of publication thereof in the Provincial Gazette.

MUNICIPALITY OF **GEORGE**

TARIFF BY-LAW



PREAMBLE

WHEREAS Section 229(1) of the Constitution authorises a municipality to impose:

- a) rates on property and surcharges on fees for service provided by or on behalf of the municipality; and
- b) if authorised by national legislation, other taxes, levies and duties;

AND WHEREAS section 75A of the Systems Act a municipality may:

- a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
- b) recover collection charges and interest on any outstanding amount.

AND WHEREAS section 74(1) of the Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements and which complies with the provisions of the Systems Act, the Local Government: Municipal Finance Management Act, 53 of 2003 and any other applicable legislation,

AND WHEREAS in terms of the Municipal Fiscal Powers and Function Act 12 of 2007, a municipal council can impose surcharges and fees for services provided and taxes, levies and duties,

AND WHEREAS a municipal council must in terms of Section 75(1) of the Systems Act, adopt by-laws to give effect to the implementation and enforcement of its tariff policy,

AND WHEREAS in terms of Section 75(2) of the Systems Act, by-laws adopted in terms of subsection 75(1) may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.

NOW THEREFOR IT BE ENACTED by the council of the George Municipality, as follows:

1. DEFINITIONS

In this By-law, the meanings of words are as follows, unless the context otherwise indicates-

- **“tariff policy”** means a tariff policy adopted in terms of this By Law;
- **“Constitution”** means the Constitution of the Republic of South-Africa;
- **“Credit Control and Debt Collection By-Law and Policy”** means the Credit Control and Debt Collection By-Law and Policy as required by sections 96(b), 97 and 98 of the Systems Act;
- **“Systems Act”** means the Local Government: Municipal Systems Act, 32 of 2000;
- **“tariff”** means fees, charges, or any other tariffs levied by the municipality in respect of any function or service provided by the City, excluding rates levied by the municipality in terms of the Local Government: Municipal Property Rates Act, 6 of 2004.
- **“municipality”** means the George Municipality duly established in terms of Section 12 of the Municipal Structures Act, 117 of 1998

2. OBJECTIVE

The objective of the bylaw is to give effect to the implementation of the Tariff Policy, as contemplated in Section 75A of the Systems Act.

3. ADOPTION AND IMPLEMENTATION OF TARIFF POLICY

- (1) The municipality shall adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements which complies with the provisions of the Systems Act, the Local Government: Municipal Finance Management Act, 53 of 2003 and any other applicable legislation.
- (2) The Municipality shall not be entitled to impose tariffs other than in terms of a valid tariff policy.

4. CONTENTS OF TARIFF POLICY

The Municipality's tariff policy shall, *inter alia*:

- (1) apply to all tariffs imposed by the municipality pursuant to the adoption of the municipality's annual budget;

- (2) reflect the principles referred to in section 74(2) of the Systems Act and specify any further principles for the imposition of tariffs which the municipality wishes to adopt;
- (3) specify the manner in which the principles referred to in section 4(2) are to be implemented in terms of the tariff policy.
- (4) specify the basis of differentiation, if any, for tariff purposes between different categories of users, debtors, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination;
- (5) include such further enforcement mechanisms, if any, as the municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Law and Policy.

5. ENFORCEMENT OF TARIFF POLICY

The Municipality's tariff policy shall be enforced through the Credit Control and Debt Collection By-Law and Policy and any further enforcement mechanisms stipulated in the municipality's tariff policy.

6. OPERATIVE DATE

This By-law shall take effect on the date of publication thereof.

