

**This policy was adopted by the Elundini Local Municipality and is signed as evidence thereof;**

\_\_\_\_\_  
**Municipal Manager**

\_\_\_\_\_  
**Date**

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**INDIGENT POLICY****PART 1: INTRODUCTION**

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 the indigent management policy to ensure that these households have access to at least basic municipal services, and is guided in the formulation of this policy by the national government's policy in this regard.

**PART 2: WHO QUALIFIES FOR INDIGENT SUPPORT**

Households where verified total gross monthly income of all occupants over 18 years of age does not exceed an amount of two state pensioners, or such other amount as the council may from time to time determine, qualify for a subsidy on property rates and services charges for sewerage and refuse removal, and will additionally receive 6 kl of water and 50 kWh of electricity per month free of charge.

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.

For a household to qualify for subsidies or rebates on the major service charges (see part 3 below), the registered indigent must be full-time occupant of the property concerned, and if not also the owner of the property concerned, may not own any other property, whether in or out of the municipal area.

For a household to qualify for a rebate on rates, the registered indigent must be both the owner and fulltime occupant of the property concerned, and may not own any other property, whether in or out of the municipal area.

Indigency relief shall apply for a period not extending beyond the financial year in which the particular household is registered as indigent. Registration must be renewed in each registration programme if relief is to continue.

To register as an indigent, the relevant property owner or accountholder 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 municipal manager 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, so that by the time the municipal budget is prepared the number of beneficiaries be considered.

A social facilitator from the community services department may from time to time go and verify the indigent status of the applicant.

### **PART 3: APPLICATION OF THE POLICY**

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 property rates and tariffs.

In respect of water, a 100% subsidy up to 6 kl per households 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.

In respect of electricity, a 100% subsidy up to 50 kWh per households per month will apply; however, if consumption exceeds 50 kWh per metering period (month), the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 50 kWh.

In respect of sewerage charges and charges for households refuse removal, the relief granted shall not be less than a rebate of 50% on the monthly amount billed for the service concerned.

In respect of property rates, the rebate shall be as determined in the municipality's Property Rates Policy.

#### **PART 4: NON-COMPLIANCE OF HOUSEHOLDS REGISTERED AS INDIGENT**

When a property owner or accountholder who has registered as an indigent fails to comply with any arrangement 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/accountholder for the financial year concerned.

The onus is on each registered indigent to advise the municipal manager 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 to pay off these arrears owing within a reasonable time determined by the municipal manager in terms of the municipality's credit control and debt collection policy. If these arrangements are not made, no subsidies will be paid or free service provided, and services may be terminated in terms of the municipality's credit control and debt collection policy.

The relief to indigents may be withdrawn at the discretion of the municipal manager 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.

Indigency relief will not apply in respect of property owners owning more than one property, whether in or outside the municipal area.

#### **PART 5: REPORTING REQUIREMENTS**

The municipal manager shall report on a quarterly basis to the mayor or

executive committee, as the case may be, for the month concerned, the following:

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- the number of households registered as indigents and a brief explanation of any movements in such numbers;
- the monetary value of the actual subsidies and rebates granted;
- the budgeted value of the subsidies and rebates concerned;
- and the above information cumulatively for the financial year to date.

The mayor or executive committee, as the case may be, shall submit the above reports on a quarterly basis to the council.

#### **INDIGENT COMMITTEE**

An indigent committee that comprises of councilors and officials needs to be established and report to the finance standing committee on implementation of this policy.