

SIYANCUMA MUNICIPALITY
FREE BASIC SERVICE
POLICY

FREE BASIC SERVICES POLICY

Residents of the Siyancuma Municipality can benefit from the Free Basic Services Policy by means of:

- A. Qualifying Criterion, Conditions & Benefits
- B. Poor households in Bodies Corporate and Retirement Centres.
- C. Free electricity.
- D. Exclusions from the Policy

A1 QUALIFYING CRITERION

The household income of applicants, from all sources, shall not exceed R1,700 except pensioners where the equivalent of two State Welfare Pensions will be applicable.

A2 CONDITIONS

- 2.1.1 The account holder must apply in person and must reside on the property in respect of which assistance is sought.
- 2.1.2 The applicant must be an account holder and reside on the property in respect of which assistance is sought, excluding 2.1.12 and 2.1.13 below.
- 2.1.3 The applicant must not own more than one fixed property within the Siyancuma Municipal area, excluding 2.1.14 and 2.1.15 below. This includes ownership of Title Deed, Deed of Sale ownership and occupation.
- 2.1.4 A tenant can apply for the benefits in respect of the charges he/she are billed for and the landlord will still be liable for all ownership related charges such as rates.
- 2.1.5 The account of a deceased estate may be subsidized under the scheme, if the surviving spouse or dependants of the deceased, who occupy the property, apply for assistance.

All other conditions of the scheme will still apply.
- 2.1.6 The applicant notifies Council immediately should his/her financial position change or if any of the abovementioned criteria are not being met, thus enabling Council to reconsider the status of the household as a poor household.
- 2.1.7 The Municipality reserves the right to visit the premises of an applicant at any reasonable time for the purpose of verifying the information on an application whenever it is deemed necessary.
- 2.1.8 Normal rates, fees and in the requirements to pay an account will apply, should a household account exceed the scheme benefits.
- 2.1.9 Council reserves the right to review and revise the scheme conditions, criteria and benefits, as it deems necessary and must review the scheme at least annually.
- 2.1.10 Disqualification as a result of fraud or non-disclosure of facts will make the account holder liable for the immediate payment of all benefits received and he/she may be prosecuted.

Any type of business conducted on the premises of an account holder or by any other person, will also disqualify the applicant from receiving assistance.

2.1.11 notwithstanding the above, Council reserves the right to exclude applicants from the Scheme at the discretion of the Chief Financial Officer.

Additional conditions approved by the Council:

2.1.12 Family members occupying premises where proof can be submitted that the relevant account holder/property owner has absconded and their whereabouts are unknown, be granted subsidy;

2.1.13 A lessee occupying premises, where proof can be submitted that the account holder/property owner has absconded and their whereabouts are unknown, be granted subsidy;

2.1.14 The unemployed family relatives, as defined by community norms, culture and traditions and where no rent is charged to the said occupants of the property by the owner who occupy the "family house", be granted subsidy;

2.1.15 Where the Housing and Land Directorate has confirmed that a property owner/account holder was allocated 2 (two) adjacent erven in respect of the RDP Housing scheme as a result of the size of said properties, such property owner/account holder be permitted to apply for subsidy.

3. **BENEFITS** Households qualifying in terms of A above will receive the following monthly benefits pertaining to charges appearing on a Municipal account.

3.1 A **full credit** for property rates.

3.2 A credit to the maximum of **6 kilolitres of water** per meter reading cycle (approximately 30 days) **provided the Municipality may take measures to restrict water consumption should the customer exceed this allocation.**

In the case of unmetered supplies the fixed charge will be deemed to be the credit.

3.3 A **full credit** for the monthly charge for the sewerage service irrespective of the service type.

3.4 A **full credit** for the monthly charge in respect of the refuse collection.

B. POOR HOUSEHOLDS IN BODIES CORPORATE AND RETIREMENT CENTRES

(a) That indigent consumers living in bodies corporate or retirement centres be eligible to qualify for assistance under the Free Basic Services Policy, subject to the following rules and procedures :

(i) The onus will be on the Board of Trustees/Managing Agent/Chairperson of a Body Corporate (hereinafter referred to as the representative of the Body Corporate or Retirement Centre) to apply to Council, for indigent status to be granted in respect **water** consumption on behalf of the owners of those units, which meet the criteria and conditions for qualification, as determined by Council from time to time.

(ii) The onus will be on the unit owner to apply to Council, for indigent status to be granted in respect **property rates and related charges** for those who meet the criteria and conditions for qualification, as determined by Council from time to time.

(iii) The representative of the Body Corporate or Retirement Centre will submit applications to the Chief Financial Officer which applications must be accompanied by a certified copy of the Sectional Title Plan of the Body Corporate or Retirement Centre, which indicates the participation quota for each unit, as registered in the Deeds Office.

(iv) The Chief Financial Officer or his/her delegate will consider and verify all applications and notify:

- the representative of the Body Corporate or Retirement Centre whether an application was successful or not, with regard to the water consumption.
- the unit owner whether an application was successful or not, with regard to the property rates and other related charges

(v) The Chief Financial Officer will credit the monthly municipal:-

- water account of a Body Corporate or Retirement Centre with water and sewerage charges, the amount of which will be calculated by dividing the total number of kilolitres of water consumed by the Body Corporate by the number of units in the complex, but up to a maximum of 200 litres of water per day for each unit that qualifies for assistance

- general rates and environmental and refuse charges account of the unit owner with the full amount charged.
- (vi) The representative of the Body corporate or Retirement Centre in respect of which monthly water credits are allowed under the Free basic Services Policy, must ensure that such credits are off-set against the monthly levies of the relevant individual units; such representative also being required, once every six months, or at such intervals as may be determined by Council, to provide proof to the Chief Financial Officer that the monthly levies of poor households which qualify for assistance, have been adjusted by the amounts credited to the account of the Body Corporate or Retirement Centre.
 - (vii) The credits referred to under 5 above, will be applied respectively to 1 July 2011 where the municipal account of the Body Corporate or Retirement Centre is in arrears, but subject to the following conditions:
 - (1) Where the levies of poor households are in the arrears, the credits referred to under 5 above will remain on the account of the Body Corporate or retirement Centre, up to the maximum of the amount by which the levies are in arrears.
 - (2) Where the levies of poor households are not in arrears, or where an excess occurs after the retrospective credits have been applied, the representative of such Body Corporate or Retirement Centres will refund the credits referred under 5 above to the relevant poor households and must provide proof in this regard to the Chief Financial Officer.
 - (viii) All other conditions and criteria as contained in the Free Basic Services Policy as approved by Council from time to time being applicable.
 - (viii) The credits to be passed to the accounts of the qualifying Bodies Corporate or Retirement Centres being debited against Indigent Vote.
 - (ix) The credits to be passed to the accounts of the qualifying Bodies Corporate or Retirement Centres being debited against Indigent Vote.

C. FREE ELECTRICITY

- (i) That all households who qualify for benefits from the Free Basic Services Policy, and who consume electricity by means of a prepaid meter, will be issued with a token for 50 kWh of electricity without charge at the beginning of each month;
- (ii) That all households who qualify for benefits from the Free Basic Services Policy, and currently their electricity meter, receive a monthly subsidy to the value of 50 kWh of electricity on their monthly bill.
- (iii) Candles
- (iv) Parafin
- (v) Any other form of electricity (Alternative energy)

D. EXCLUSIONS FROM THE POLICY

- (1) No household earning an income from whatever source, **in excess R1,700 or of two State pensions** in the case of pensioners shall be entitled to any subsidy in terms of this Policy.