

WEST COAST DISTRICT MUNICIPALITY



INDIGENT POLICY

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1. DEFINITIONS AND DEFINITIONS:

For the purposes of this document, the following definitions will apply and means:

- a) *Indigent policy*: provide procedures and guidelines for subsidising basic services, rental and tariff charges to households who qualify for it.
- b) *occupant*: any person occupying any property or part thereof, without regard to the title in terms of which he or she occupied the premises;
- c) *Indigent households*: households registered with the municipality as such, comply with the municipality's criteria and owning a property within the jurisdiction of the municipality.
- d) *consumer*: any occupier of any property to which the municipality has agreed to provide services or already provide services;
- e) *credit control and debt recovery*: any function relating to the collection of any fees due and payable to the municipality;
- f) *services*: those services and tariffs that appear on the municipal account and for which the municipality expects payment; as well as charges or service fees in respect of electricity, water consumption, refuse removal, sewage services, interest, diverse and all manner of other charges (including rental).
- g) *council*: the municipal council of the West Coast District Municipality
- h) *tariff*: costs or fees in respect of any function or service of the municipality (including rental).
- i) *Legislation*: The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), Municipal Finance Management Act, (No 56 of 2003) and any other applicable legislation.

2. PURPOSE OF THE INDIGENT POLICY:

- 2.1 The policy ensures the provision of basic services and rent to the consumers in a sustainable manner, within the council's financial and administrative capacity; and
- 2.2 Set procedures and guidelines for subsidising rental and basic services to Indigent households using the council's budgetary provisions received from the National Government in accordance with prescribed policy guidelines.

3. INDIGENT:

3.1 Criteria:

The criterion for determining an Indigent is the determination of the total income of the entire household to be equal to or less than twice the monthly age pension determined by the state from time to time, plus 10% regardless of whether that household qualifies for age pension or not.

3.2 Financial assistance:

Indigent households receive 100% subsidy for:

- (a) Water up to a maximum of 6 kilolitres
- (b) Refuse removal
- (c) Sewage levy (1 pan)
- (d) Electricity – 100 units
- (e)
- (f) House rental – 67% of house rental leased

3.3 Commencement of subsidy for Indigent household

All applications for Indigent received subsidy in a specific month will only qualify for subsidy in the month following the month in which the application was received.

4. EXCLUSIONS:

Households who have more than one dwelling will not qualify for subsidy.

5. PERIOD OF APPROVAL:

All applications approved will only be valid for the financial year in which approved. No warranty can be granted that the same subsidy amount or any further subsidy will be granted for the following financial year.

Indigent households must notify the council if their financial status changes. This principle will also apply to municipalities for any subsequent year as long as inter-authority grants are granted to Municipalities.

6. THEFT AND FRAUD:

If a household is in a dishonest manner by way of a false statement by the applicant receives a subsidy or fails to intensify the Council that the household's circumstances have improved, for example that the household income is more than the limit determined by the Council from time to time, the subsidy will be permanently withdrawn with no resistant claim or interest against the accused.

7. AGREEMENT:

Each applicant shall enter into a written agreement in duplicate with the Municipality on behalf of the Indigent household to comply with its monthly obligations faithfully and if the Indigent's total amount of account is more than the subsidised amount, the consumer's services will be terminated if the balance due is not settled on or before the 20th of each month.

8. INVESTIGATIONS:

Council has the right to verify details and information by visiting households to conduct socio-economic surveys and censuses in order to obtain information and circumstances.

9. ALLOCATION OF INDIGENT SUBSIDY:

The Indigent household's monthly account will be credited on a monthly basis with the amount in accordance with the subsidy as determined by the council.

The household must re-apply annually for the continuation of the subsidy.

10. FUNDING:

The source of income for the Indigent subsidy is the contribution from the equity share made by the government from the treasury to the municipality.

The council will determine the subsidy rate granted per services category, per household, on a year-on-year basis, depending on the income from the equity share. The subsidy allocation must be included in the tariff policy/schedule and must be reviewed annually with the budget and tariffs.

11. CREDIT CONTROL AND DEBT RECOVERY:

It is a priority for the council, as the council aims to reduce its outstanding debt.