



C a c a d u

DISTRICT MUNICIPALITY

Province of the Eastern Cape

progress through development

INDIGENCY POLICY

INDIGENCY POLICY

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INDIGENCY POLICY

PART 1 OBJECTIVE

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 this indigency 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 detailed in **Schedule 1**, or such other amount as the council may from time to time determine, qualify for a subsidy on property rates and service charges for sewerage and refuse removal, and will additionally receive 6 kl of water per month and 50 kWh of electricity per month free of charge.

Only households where the accountholder 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 the 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.

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 household 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 household 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 property rates, the rebate shall be 100%.

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 arrangements 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 or 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 services 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. Moreover, such person may not again be considered for indigency relief for a period extending for 5 (five) years beyond the financial year in which the misdemeanor is detected.

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 an annual basis to the executive mayor or executive committee, as the case may be, for the month concerned and by municipal ward:

- 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 executive mayor or executive committee, as the case may be, shall submit the above reports on an annual basis to the council.

MUNICIPALITY OF

APPLICATION FOR INDIGENT SUPPORT

FULL NAMES OF APPLICANT	
RESIDENTIAL ADDRESS	
I.D. NUMBER	
ACCOUNT NUMBER	

1. In an effort to assist the needy residents of the Municipality with the payment of municipal services, as detailed below, the Council of the Municipality has agreed to a subsidy scheme whereby qualifying households earning less than an amount determined by Council per month will have certain services fully or partly subsidised.
2. Please read this form to ascertain whether or not you qualify for a subsidy and what documents or forms you are required to submit with this application. If you feel that you do qualify, then you must complete the details of all occupants in your household over the age of 18 years together with their respective gross monthly incomes, in the space below.

**PERSONAL PARTICULARS OF ALL OCCUPANTS OVER 18 YEARS
CONSTITUTING THE HOUSEHOLD**

	IDENTITY NUMBER	INITIALS	SURNAME	EMPLOYED (YES/NO)	EMPLOYER NAME	GROSS MONTHLY INCOME	SOURCE OF INCOME
1							
2							
3							
4							
5							
6							
7							

DECLARATION BY APPLICANT

I, the undersigned, resident at the address indicated above, hereby apply for the Household Indigent Subsidy determined in relation to the income indicated above, and solemnly declare that -

- [a] All particulars furnished on this form, including the total gross income of myself and all occupants of the premises, are to the best of my knowledge and belief, true and correct;
- [b] If the particulars furnished in this form should change for any reason, I will immediately notify Council thereof;

- [c] I am aware that the information supplied in this form by me may be made available by Council to a Credit Bureau;
- [d] I or any other occupant do not own any other property in the Republic of South Africa apart from the property indicated on the account for which this application is made;
- [e] I agree that Council officials may conduct an on-site audit to verify the information supplied on this declaration;
- [f] I am aware that any false declaration on this form is punishable by law and will result in disqualification of the subsidy;
- [g] I do hereby acknowledge that the debts in respect of the arrears amounting otherwise to R as at (together with interest accrued at the standard interest rate) on the account number indicated above remain payable by me unless Council resolves otherwise.

Date *Signature / Thumb print of applicant*

FOR OFFICE USE ONLY

The consequences of the above declaration made by the applicant were explained to him/her and he/she indicated that –

- the contents of the declaration were understood, and
- if found to be untrue, he/she will automatically be disqualified from receiving any subsidy and he/she will be liable for the immediate repayment of any subsidy received from the Council and may have criminal proceedings instituted against him/her as Council may deem fit.
- the subsidy application was subject to approval by the Council and that until approved, he/she was responsible for the payment of all charges raised by the Council.

Municipal Attesting Officer

Date **Signature**

DATE RECEIVED	
APPLICATION NUMBER	
DATE OF APPROVAL – COUNCIL	
WARD NO OR NAME	
WARD COUNCILLOR	

REVIEW DATE	
VERIFICATION DETAILS	

Information / Conditions of Subsidy

This application form together with the documents indicated below must be brought by the account holder (i.e. the person in whose name the account is rendered) to one of the council's offices indicated in the enclosed pamphlet. Prospective applicants must apply at the venues designated in their respective areas and not at any other places.

1. Who qualifies?

A household in which the combined gross income of all occupants and/or residents over the age of 18 years is less than an amount determined by Council.

2. Who does not qualify?

2.1 A household in which the combined gross income of all occupants/residents exceeds an amount determined by Council.

2.2 Occupants/residents who own more than one property.

3. Documentary proof of income (e.g. letter from an employer, salary advice, pension card, UIF card etc.) must be presented in order to qualify for a subsidy.

4. In addition, applicants will be required to sign and submit a sworn affidavit to the effect that all information supplied is true and that all income from formal and/or informal sources has been declared. Special note should be taken that any person who supplies false information will be disqualified from further participation in the subsidy scheme. He/She will also be liable for the immediate repayment of all subsidies received by him/her to the Council and the Council may institute criminal proceedings against him/her as the Council may deem fit.

5. Council reserves the right to send officials to premises/households receiving relief for the purpose of conducting an on-site audit of the details supplied.

6. The account holder must apply in person and must present the following documents upon application:

6.1 The latest municipal account in his/her possession.

6.2 The account holder's identity document.

6.3 An application form indicating the names and identity numbers of all occupants over the age of 18 years who are resident at the property.

7. If the application is approved, the assistance will only be valid for six months with no guarantee of renewal. The onus is on account holders to re-apply for relief half yearly, failing which the assistance will cease automatically.

8. The following services will be subsidised:
 - 8.1 Water (up to 6 kilolitres per month). Consumption exceeding 6 kilolitres will be payable by the consumer. This additional consumption may be subsidized by the Council. The non-payment of charges will result in the installation of a flow-control washer or any other measure Council deems fit. Where the supply is not metered, the subsidy will only apply where the owner/occupant agrees in writing that the supply may be restricted by a flow-control meter.

9. The following services could also qualify for subsidy under certain conditions:
 - 9.1 Sewerage.
 - 9.2 Refuse removal.

10. Rates and electricity purchases could be subsidized by the Council subject to certain conditions.

SCHEDULE 1

INDIGENT THRESHOLD

Households where verified total gross monthly income of all occupants over 18 years of age does not exceed R2 160 qualify for a subsidy on property rates and service charges for sewage removal and refuse removal and will additionally receive 6kl of water per month and 50 kWh of electricity per month free of charge.