



## **INDIGENT & SOCIAL ASSISTANCE POLICY**

**2019/2020**

## **PREAMBLE**

**Whereas** section 152 of the Constitution of the Republic of South Africa requires the Local government to ensure the provision of services in a sustainable manner, and whereas section 97 of the Municipal Systems Act prescribes that such policy must provide for 'provision for Indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents'.

**Now therefore** the Municipal Council of the Municipality of Polokwane adopts the Indigent Policy as set out in this document.

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## 1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

<b>Authorized representative</b>	The person or instance legally appointed by the Council to act or to fulfil a duty on its behalf.
<b>Basic service</b>	The amount or level of any municipal service that is necessary to ensure human dignity and a reasonable quality of life and which, if not provided, could endanger public health or safety of the environment. For the purpose of this Policy basic services will be restricted to electricity, refuse, sewerage, water and any other rebates or exemptions as approved by Council.
<b>Chief Financial Officer</b>	An officer of the municipality appointed as the Head of the Budget and Treasury Directorate and includes any person acting in such position
<b>Council or Municipal Council</b>	A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Polokwane.
<b>Customer</b>	Any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property.
<b>Defaulter</b>	A person who owes money in respect of a municipal account after the due date for payment has expired.
<b>Household</b>	A Property and all its occupants.
<b>Interest</b>	A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as approved by Council.

<b>Municipal account or Municipal billing</b>	The proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality.
<b>The Act</b>	The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended from time to time.
<b>Indigent</b>	A poor / needy household that qualifies and receives benefits in accordance to this policy.
<b>Indigent Levy</b>	A fixed charge payable by qualifying Indigent households levied on a monthly basis.
<b>Subsidy</b>	The financial relief granted to qualifying indigent households

## 2. OBJECTIVES

The objectives of this Policy are to:-

- a) Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- b) Determine the criteria for qualification of Indigent households;
- c) Ensure that the criteria is applied correctly and fairly to all applicants;

## 3. PRINCIPLES

- a) The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for the adoption of the policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;
- b) Applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy, where applicable;
- c) The municipality may at its own discretion convert all conventional meters to prepaid services.

## 4. CRITERIA FOR INDIGENT HOUSEHOLDS

To qualify as 'Indigent household, a household must comply with the following criteria:-

- a) The total household income may not exceed the sum of two times the amount of state funded social grants plus two child grants currently as determined by the National Treasury of RSA from time to time.
- b) The applicant must be a permanent resident of the property.
- c) The applicant must be a South African citizen.
- d) The applicant who owns more than one property will only be granted Indigent assistance on the property of primary occupation. Polokwane Municipality reserves the right to reverse indigent benefits of an additional property should there be evidence that the applicant has applied for indigent assistance on additional properties.
- e) The applicant may not necessarily be the owner of the property but could also be the occupier including a child headed family. Provided that they meet other requirements.
- f) The Municipality reserves the right to consolidate separate accounts of one property in instances where the owner of the property is deceased.

## 5. SUBSIDY

The subsidies below will be funded from the Equitable share contribution received from National Treasury. The subsidies will only be granted to qualifying households to the extent that the above-mentioned funds are available for allocation.

- a) The qualifying Indigent households may receive the following subsidy per month.
  - 100% rebate of the basic charges for electricity per month
  - 100% rebate of the availability charge for sewerage per month
  - 100% rebates on sewer connection charge per month.
  - 100% rebate of the basic charge for refuse removal per month
  - 100% rebate of refuse charge per month
  - 100% rebate on property rates
  - 100kwh electricity consumption subsidy per month (cumulative on Pre-paid)
  - 50kWh of electricity per month is consumed in urban and 50kWh Eskom supply Area

- 6kl Water consumption subsidy per month (cumulative on Pre-paid)

b) Other Rural Benefits/subsidy

- Basic water
- Other alternative energy
- Basic refuse removal
- Basic sanitation

c) Exemption may be granted for connection or deposit fees to qualifying indigents or poor household subject to approval by the Chief Financial Officer or Delegate.

## 6. APPLICATION FOR A SUBSIDY

The customer may apply in person at a customer care front office, Civic Centre.

The following documents must be submitted with the application form:-

- Certified copy of the applicant's South African identity;
- Proof of income of the applicant (e.g. a letter from employer/ salary advice/ proof of pension/ bank statement);
- Written proof of child headed family or letter of authority from a Social Worker, and/or Traditional leader and Ward Councillor where the property is situated;
- Bank statement for the past three month of the applicant and spouse where applicable;
- Any other proof or confirmation/ evidencing the qualification as indigent;
- Letter of Authority in case of deceased persons estate from the magistrate or Master of High Court declaring Executorship, where necessary;
- Marriage certificate for married applicants;
- Sworn Affidavits that Gross household income is less than the threshold set by council and that the information supplied is true and all income is declared;
- The applicant must complete the sworn statement that forms part of the application form; and
- Should the applicant be unable to apply in person, due to medical reasons, his / her application may be certified by a Commissioner of oaths, or a community worker.

## 7. PUBLICATION OF NAMES OF QUALIFYING APPLICANTS

The Municipality may publish names and property description of the applicants receiving subsidies in terms of this policy for inspection and objection.

## 8. FALSE INFORMATION

A person who provides false information will be disqualified and be denied further participation in the subsidy scheme. In addition, the beneficiary will be held liable for the payment of any incorrect subsidies already granted and legal action, civil or criminal may be instituted against the guilty party/parties.

## 9. INFORMATION AUDIT/ VERIFICATION

The Municipality reserves the right to send officials and / or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s).

Such audit will be conducted on a continuous basis as and when municipality require.

a) Verification – Site Visit

The Municipality may utilise the services of a service provider to perform an on-site verification.

b) Verification – External Scan

An external scan, of applicants recommended as suitable candidates for an indigent grant, may be conducted with UIF, SARS, Department of Welfare, Retail and Credit Bureau.

## **10. DURATION OF SUBSIDY**

If the municipality obtains information that indicates that the circumstances of the beneficiary has changed to such an extent that he / she no longer qualifies for the subsidy, the Municipality reserves the right to suspend the subsidy.

The municipality may require the indigent beneficiary to renew their indigent status periodically as and when required.

## **11. AMOUNT IN ARREARS**

Beneficiaries with municipal accounts in arrears at the time of the application (approval) for a subsidy, may have such arrear amounts written off upon approval depending on availability of budget/funds.

A consumer will only qualify for a write off once per account for every three years if the status did not change or as prescribed from time to time by council.

## **12. REGISTER**

The register may contain the name of the applicant, the name of the registered owner of the property, the identity number of the applicant, the contact details, the suburb, stand number, sub-division, street address, ward number and application date.

This Indigent register will be updated on monthly basis as and when applications are received.

## **13. APPROVAL, COMPLAINT MANAGEMENT AND DISPUTE RESOLUTION**

Complaint or dispute management will be managed by the Revenue Executive committee established by the Revenue Manager.

The Revenue Executive Committee will comprise only of senior revenue officials not limited to The Revenue Manager, Revenue Assistant managers, Senior Accountant and Accountants.

The Revenue Executive Committee must meet at least once per month. The Indigent Committee must consider each complaint; assess it in terms of this policy and any other information which members may have in respect of the applicant.

## **14. INDIGENT LEVY**

An Indigent levy will be charged to the account of all approved indigents in accordance with the approved schedule of tariffs.

## **15. SHORT TITLE**

This policy shall be called the Indigent and social support Policy of the Polokwane Municipality