
MATATIELE LOCAL MUNICIPALITY

INDIGENT SUPPORT POLICY



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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 indigent support 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. Relief will be based on a means testing with targeted credits method.

PART 2 - PROVISION OF MUNICIPAL SERVICES TO INDIGENT CUSTOMERS

2.1 Qualification for Registration as Indigent Customer

All households whose combined gross income, that is, the gross income of all the members of the household over the age of 18 years, is less than the amount determined by the Council from time to time, shall qualify for registration as indigent customers.

2.2 Application for Registration

A household who qualifies as an indigent customer must complete the relevant application form provided by the municipality.

Any application in terms of the foregoing must be accompanied by:

- documentary proof of income, such as a letter from the customer's employer, a salary advice note, a pension card, an unemployment fund card, and so on; or
- in the absence of such documentary proof of income, an affidavit declaring the household member's income, or if such member has no income, declaring such member's unemployment status; and
- the customer's latest municipal account, or the latest account in the customer's possession; and
- a certified copy of the customer's identify document; and

- the names and identity numbers of all occupants over the age of 18 years who are resident on the property.

A customer applying for registration as an indigent customer shall be required to declare that all information provided in the application form and other documentation and information provided in connection with the application are true and correct.

The municipality, or its authorised agent, shall countersign the application form and certify that the consequences and conditions of such application were explained to the customer, and that the customer indicated that the content of the declaration was understood.

2.3 Approval of Application

The Council may appoint a Committee to administer the Indigent Support Programme, or may by Resolution delegate authority to the Municipal Manager/Chief Financial Officer to implement Free Basic Services to applicants meeting the requirements of the Indigent Support Programme. The Committee/Manager may scrutinize each application prior to approval.

If a household is found to be indigent, it will be registered on a database linked to the debtors system.

The municipality, or its authorised agent, may send authorised representatives to premises or households applying for registration as indigent customers to conduct an on-site audit of the information provided prior to such application being approved.

An application shall be approved for a period of 12 months only.

Subsidies will thereafter lapse unless the applicant fails to submit further proof of income or reapplies for the subsidy.

2.4 Conditions

The municipality, or its authorised agent, may upon approval of an application or at any time thereafter install a pre-payment electricity meter for the indigent customer where electricity is provided by the municipality or its authorised agent.

2.5 Application Every 12 Months

An indigent customer must reapply for indigent support every 12 months, failing which the subsidies will automatically cease.

2.6 Subsidised Services for Indigent Customers

The Council may annually, as part of its budgetary process, determine the municipal services and the levels of such services which will be subsidised in respect of indigent customers, such subsidisation to be in line with national policy but subject to the principles of sustainability and affordability for the municipality.

The Council shall, in determining the municipal services to be subsidised for indigent customers, give preference to subsidising at least the following services:

- refuse removal services;
- property rates in respect of properties which have a municipal value below the value determined from time to time by the Council; and
- electricity services.

The municipality shall, when making a determination in terms of the foregoing, give public notice of such determination. Such notice shall contain at least the following information:

- the level or quantity of municipal service to be subsidised;
- the level of the subsidy;
- the method of calculating the subsidy; and
- any special terms and conditions which apply to the subsidy, where such terms and conditions have not already been set out in the Council's indigency management policy and by-laws.

Any other municipal services rendered by the municipality to an indigent customer or municipal services used or consumed by an indigent customer in excess of the levels or quantities determined in terms of the foregoing, shall be charged for, and the indigent customer shall be liable for the payment of such charges as levied. If such charges are not paid as required by the municipality, credit control action shall be taken against the indigent customer in respect of such charges and in accordance with Council's credit control and debt collection policy and by-laws.

2.7 Financing of Subsidised Services

The subsidies provided by the municipality to indigent customers in terms of 2.6 above shall be financed from the municipality's allocation of revenues raised nationally, and if such financing is insufficient the services shall be financed from revenues raised generally through property rates, service charges and fees.

The subsidy amount to be financed from revenues raised nationally shall be calculated by dividing the amount allocated by the National Treasury by the estimated number of indigent customers.

The Council's budgetary provisions, and/or the amount received from the Central Government, will determine the extent of the monthly support divided by the number of recipients, with a maximum of an average monthly service account. The Council will on a six – month basis assess the level of support depending on the Number of applicants.

2.8 Existing Arrears of Indigent Customers on Approval of Application

Arrears accumulated in respect of the municipal accounts of customers prior to their registration as indigent customers shall be:

- written off; or
- applied as a surcharge to pre-paid electricity coupons; or
- be attempted to be recovered through legal proceedings and/or extended arrangements for payment, depending on which course of action is, in the view of the Municipal Manager, likely to be most advantageous for the municipality.

2.9 Audits

The municipality may undertake regular random audits to verify the information provided by indigent customers, to record any changes in the circumstances of registered indigent customers, and to make any suitable recommendations on the deregistration of any indigent customers.

2.10 Deregistration

Any customer who provides or provided false information in an application form and/or in any other documentation in connection with the application for registration as an indigent customer shall automatically and without notice be deregistered as an indigent customer from the date on which the municipality becomes aware that such information is false.

An indigent customer shall immediately request deregistration by the municipality, or its authorised agent, if such customer's circumstances have changed to the extent that the customer no longer meets the qualifications for registration as set out in 2.1 above.

An indigent customer shall automatically be deregistered if an application in accordance with 2.2 above is not made or if such application is not approved.

An indigent customer shall automatically be deregistered if an audit or verification conducted by the municipality, or its authorised agent, concludes that the financial circumstances of the indigent customer have changed to the extent that such customer no longer meets the qualifications set out in 2.1 above.

An indigent customer may at any time request deregistration.

2.11 Relief Measures for Pensioners

The municipality may grant a rebate on property rates to persons who own and occupy property if such persons submit a written request annually to the municipality and can prove to the satisfaction of the Municipal Manager that they comply with the policy of Council in this regard.

All applications must be submitted before a predetermined date and no applications received after this date will be considered.

A new application must be made for each financial year.

PART 3 - ACTION AGAINST MALPRACTICES

The Council may refer queries to the Committee for Indigent Support Policy, who may take following action:

- Request the resident to provide full proof of his/her banking account and income details as well as pension registration.
- Direct an inquest at the recipient's residence;
- Request a social welfare worker's report on the household, and
- Any other action decided by Council.

If it established that incorrect information was furnished in obtaining relief the following action can be taken;

- Suspend or stop the relief immediately;

- Recover from the recipient the amount of relief furnished by debiting his account;
- Apply normal credit control in accordance with the Council's credit control policy; and
- Institute a charge of fraud against the recipient.

PART 4 - ANNUAL REVISION OF POLICY

The Council shall ensure that, at the time of commencement of its annual budgeting process, its indigent support policy is reviewed, and that any required amendments are included in the documentation prepared in support of such budget.

Any amendments approved by Council in consequence of such review shall promptly be incorporated in Council's indigent support policy.

APPLICATION FORM - INDIGENT SUBSIDY SUPPORT SCHEME

ACCOUNT NUMBER/S: _____

HOME ADDRESS: _____

In terms of the Indigent Subsidy Scheme, the applicant agreed that Municipal Employees might conduct an on-site audit to verify the information supplied on the application form.

SECTION A - PARTICULARS OF ACCOUNT HOLDERS

1. SURNAME: _____

2. FIRST NAMES: _____

3. DATE OF BIRTH: _____

4. RESIDENTIAL ADDRESS: _____

5. POSTAL ADDRESS: _____

6. I.D. NUMBER: _____

7. TELEPHONE NO.ON SITE _____

8. PERSON/S INTERVIEWED: (1) _____

(2) _____

9. NUMBER OF PEOPLE LIVING ON PROPERTY (OVER 18): _____

10. NAME/S OF DEPENDENTS LIVING ON THE PROPERTY:

NAME	SURNAME	I.D. NO.	AGE	GENDER

SECTION B - INCOME OF HOUSEHOLD:

I.D. NUMBER	INITIALS & SURNAME	GROSS MONTHLY	EMPLOYED YES/NO	PROFF OF PAYMENT

TOTAL _____

SECTION C - ASSETS

(A) PROPERTY OCCUPIED BY HOUSEHOLD

(a) NAME OF OWNERS: _____

(b) BONDHOLDER: _____

(c) TYPE OF STRUCTURE: _____

DO YOU OWN MORE THAN ONE PROPERTY? YES / NO _____

IF YES FURNISH DETAILS: _____

SECTION D - PROVISION OF INFORMATION

Please ensure that the following information is attached to this application:

- (i) Copy of your ID
- (ii) Copy of letter from employee if employed as to Income received.

DECLARATION BY APPLICANT

I, _____ CERTIFY THAT THE CONTENTS OF THE APPLICATION AND THAT THE CONTENTS OF THE MATAIELE COUNCILS INDIGENT / FREE BASIC SERVICES POLICY HAS BEEN EXPLAINED TO ME AND THAT I FULLY UNDERSTAND THE CONTENTS THEREOF.

SIGNED AT MATATIELE ON THIS _____ DAY OF _____ 20____

APPLICANT SIGNATURE / THUMBPRINT

DATE

OFFICIAL USE ONLY

PERIOD OF ASSISTANCE: _____

ASSISTANCE		AMOUNT
Electricity	<input type="checkbox"/>	_____
Refuse	<input type="checkbox"/>	_____
Rates	<input type="checkbox"/>	_____
Other	<input type="checkbox"/>	_____

APPROVED:

CHIEF FINANCIAL OFFICER

MUNICIPAL MANAGER

DATE: _____