

GREATER LETABA MUNICIPALITY



COST CONTAINMENT POLICY

2024/2025

1. SCOPE

The object of this policy is to ensure that resources are used effectively, efficiently and economically by implementing cost containment measures in accordance with the provisions of the regulatory frameworks.

Each municipality must revise and implement a cost containment policy which is adopted by the municipal council as part of its budget related policies, and which is consistent with the Act and Regulations.

The cost containment policy must:

- Be in writing;
- Be reviewed annually, as may be appropriate;
- Be communicated on the website; and
- set out measures for ensuring implementation of the policy, procedures for the annual review of the policy; and consequences for non-adherence to the measures contained herein.

The policy applies to all officials and councillors

2. DEFINITIONS

A word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and

“Act” means the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003);

“consultant” means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution

“cost containment” means measures implemented to curtail spending;

“credit card” means a card issued by a financial service provider, which creates a revolving account and grants a line of credit to the cardholder

3. USE OF CONSULTANTS

3.1 The following procedure have been implemented for the appointment of consultants:

- All appointments already made to date (i.e. procurement processes that have been completed) to continue as normal and no additional reporting / approval is required.
- All NEW appointments (including bids currently in process) must be motivated to the municipal manager. The municipality must first make an assessment of

whether it has the skills and resources in its full-time employees to perform the function.

- The municipal manager must adopt a fair and reasonable remuneration framework for consultants. (AG Hourly rates; Guide on hourly fee rates for consultants; Fees of the regulating body for its members)

4. VEHICLES USED FOR POLITICAL OFFICE BEARERS

- 4.1 The threshold limit for vehicle purchases relating to official use by political office-bearers may not exceed R700 000 or 70% of the total annual remuneration package for different grades, whichever is greater.
- 4.2 The procurement of vehicles must be undertaken using the national government transversal contract mechanism unless it can be procured cheaper at a lower cost through other procurement mechanisms
- 4.3 Another procurement process may be followed provided the chief financial officer provides the council with information relating to the following:
 - a) Status of current vehicles;
 - b) Affordability;
 - c) Extent of service delivery backlogs;
 - d) Terrain for effective usage of vehicles;
 - e) Extent of service delivery backlogs
 - f) Any other relevant policies of council.
- 4.4 Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 km or less only where the vehicle experiences serious mechanical problems or is in a poor condition, subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

5. TRAVEL AND SUBSISTENCE

- 5.1 The travel and subsistence policy must be in compliance with the NT prescriptions on travel and subsistence.
- 5.2 The appointed travel agent must also be registered on National Treasury's Central Supplier Database and ensures compliance to the Circular.
- 5.3 All officials to travel economy class. The accounting officer and officials reporting directly to the accounting officer, may purchase business class tickets only if the flight exceeds 5 hours.
- 5.4 Only international travel to meetings or events that are considered critical will be allowed. The number of officials attending such meetings must be limited to those officials directly involved in the subject matter related to such meetings or events.

- 5.5 Officials must make use of the shuttle service if the cost of such service is lower than the cost of hiring a vehicle; the cost of kilometres claimable by the employee; and the cost of parking.
- 5.6 Vehicles may not be hired from a category higher than group B or an equivalent class. Where a different class is required, the written approval must be sought from the accounting officer before hiring the vehicle.
- 5.7 The municipality must utilise the negotiated rates for flights and accommodation, communicated by the National Treasury, from time to time, or any other cheaper available flight and accommodation.

6. CREDIT AND DEBIT CARDS

The municipality may not make use of credit or debit cards.

7. SPONSORSHIPS, EVENTS AND CATERING COST

- 7.1 Catering is minimised for meetings and only meetings held longer than 5 hours are considered for catering.
- 7.2 No year-end functions will be held at either Council's cost or time.
- 7.3 Gifts are managed by the marketing division and only low value token gifts are allowed where absolutely necessary.
- 7.4 All entertainment budgets are capped at R2 000 per financial year per person qualifying for entertainment expenses – any staff related functions such as farewell functions are funded from the entertainment budgets unless the employee had at least 10 years' service.
- 7.5 Expenditure may be incurred to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health, not exceeding R2000.
- 7.6 No expenditure may be incurred on alcoholic beverages.
- 7.7 No expenditure may be incurred on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade, unless costs related thereto are recovered from affected officials.
- 7.8 Take advantage of early registration discounts, as far as practicable and feasible.

8. COMMUNICATION

- 8.1 Municipal events and public information must be listed on the website. Government Gazettes and local media must be used to ensure compliance with the Municipal Finance Management Act as well as the Municipal Systems Act. To further enhance communication, the local radio stations must be used.
- 8.2 Private telephone calls must be tracked and deducted from staff salaries.

- 8.3 Newspaper subscriptions must be reduced to the bare minimum.
- 8.4 The municipality must use the NT transversal contract on mobile communication services, if feasible.

9. DOMESTIC ACCOMMODATION / CONFERENCES, MEETINGS AND STUDY TOURS

- 9.1 Conferences must only be attended if hosted by the professional bodies of local government.
- 9.2 Delegations must be limited to no more than 3 officials per conference per department.
- 9.3 The accounting officer must ensure that meetings and planning sessions are, as far as may be practically possible, held in-house.
- 9.4 The accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates as communicated by the National Treasury, from time to time.
- 9.5 Accommodation should only be booked where the return trip exceeds 500 kilometres. Unless where the circumstances make such a limitation impractical, in which case the approval of the Accounting Officer will be required.

10. OTHER RELATED EXPENDITURE ITEMS

- 10.1 Office furnishings – The budget for furniture must be approved by the Budget Steering Committee and only where new positions are created, or furniture are damaged will new furniture be procured. Old furniture must also be repaired and re-upholstered where possible to further reduce the cost of new furniture.
- 10.2 Staff study, perks and suspension costs – Staff are required to repay study cost where they do not pass their exams. Staff above the threshold set by the Department of Labour are not paid overtime but get time off in lieu of overtime worked.
- 10.3 NT transversal contracts are used insofar as practically possible.
- 10.4 Security to the Mayor must only be provided after security assessments have been done.
- 10.5 Printing is minimised and meeting agendas must be circulated electronically.
- 10.6 Energy saving measures must be applied in the municipality.

- 10.7 Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing and other inducements as part of, or during election periods.
- 10.8 Entertainment budgets for qualifying officials limited to R2000 per annum, unless approved otherwise by the municipal manager.
- 10.9 Avoid expensive and elaborate office furniture

11. ENFORCEMENT PROCEDURES

Failure to implement or comply with this policy may result in any official of the municipality or political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct as set out in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

12. DISCLOSURE OF COST CONTAINMENT MEASURES

- 12.1 The disclosure of cost containment measures applied by the municipality must be included in the municipal in-year budget reports and annual cost savings disclosed in the annual report.
- 12.2 The measures implemented, together with the regular reports on reprioritisation of cost savings, on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council may refer the reports to an appropriate Council Committee for further recommendations and actions.
- 12.3 Such reports must be copied to the National Treasury and relevant Provincial Treasuries within ten calendar days after the report is submitted to Municipal Council.



**Municipal Manager
Sewape M.O**

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GREATER LETABA MUNICIPALITY



CREDIT CONTROL POLICY

2024/2025

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1. DEFINITIONS

The following words shall have the meanings hereby assigned to them-

- 1.1 **“Account(s)”** means any account that includes municipal rates and/or services account;
- 1.2 **“Service contract”** means a legal document signed by the account holder that consents to the supply of municipal services;
- 1.3 **“Arrears”** means an amount that is due, owing and payable to the Municipality and includes inter alia; (a) the principal debt, (b) collection costs, (c) interest, (d) default administration charges, (d) connection fees;
- 1.4 **“Interest”** means a charge levied on all arrear monies and calculated at a rate determined by the municipal council on a yearly basis;
- 1.5 **“Indigents”** are defined by the approved Indigent Policy of the Municipality;
- 1.6 **“Indigent Policy”** means the Indigent Policy approved by the council of the Municipality;
- 1.7 **“Municipality”** means Greater Letaba Municipality except where stated otherwise;
- 1.8 **“Policy”** means this document;

2 APPLICATION

This policy shall apply only in respect of money due and payable to the municipality for:

- 2.1** Rates;
- 2.2** Fees, surcharges (*additional charges*) on fees, and tariffs in respect of the provision of water, refuse removal, sewerage and the removal and purification of sewerage, electricity (hereinafter referred to collectively as "services") in cases where the municipality is responsible for the rendering of accounts in relation to any one or more of the services and for the recovery of amounts due and payable in respect thereof, irrespective of whether the services, or any of them, are provided by the municipality itself or by a service provider through which and on its behalf, in terms of a Service Delivery Agreement, it provides a service;
- 2.3** Interest which has or will accrue in respect of any money due and payable or which will become due and payable to the municipality in regard to rates or services;
- 2.4** Municipal services provided through pre-paid meters;
- 2.5** Any other sundry balance payable to the Municipality.

3 OBJECTIVES OF THIS POLICY

The objectives of this Policy are to –

- 3.1** Ensure that all money due and payable to the Municipality in respect of rates, fees for services, interest which has accrued on any amounts due and payable are collected efficiently and promptly;
- 3.2** Provide for credit control procedures and mechanisms and debt collection procedures and mechanisms;
- 3.3** Provide for interest on overdue amounts;
- 3.4** Provide for extension of time for the payment of overdue amounts;
- 3.5** Provide for the termination of services or for restrictions on the provision of services when payments are overdue;

4 IMPLEMENTATION

This policy shall be implemented by the Accounting Officer whose duties that can be delegated include the following:

- 4.1 Taking of monthly meter readings.
- 4.2 Generating and rendering of monthly consumer accounts.
- 4.3 Collection of money due and payable to the municipality.
- 4.4 Implementing of debt collecting procedures against payment defaulters.

5 ACTIONS TO SECURE PAYMENT

- 5.1.** The Municipality must establish service centres / offices and pay points within easy reach of the community and its consumers.
- 5.2.** Such offices must be staffed by officials with relevant skills, expertise and financial system support to assist members of the community.
- 5.3.** The Municipality may use any credit control and debt collection methods, which are permitted in law (including the National Credit Act, where applicable). This includes but is not limited to the following:
- Distribution of monthly statements;
 - Registering defaulters at the credit bureau;
 - Deposit taking;
 - Payment Arrangements;
 - Statement reminder messages;
 - Telephone calls;
 - Notices;
 - Termination or Restriction of Services;
 - Legal Action;
- 5.4.** The Municipality reserves the right to report individual consumers whose accounts remain unpaid for more than 120 days to the Legal department/debt collectors and or Credit Bureaus as allowed by the National Credit Act for blacklisting purposes
- 5.5.** In the event that a consumer's account for other services is in arrears for more than 90 days the prepaid electricity services will be disconnected / restricted.
- 5.6.** Only electricity meters approved/authorized by the municipality can be utilized on the municipality's electricity network
- 5.7.** Accounts for existing current residential lessees as well as tenants whose accounts remain outstanding after vacating the premises, must settle in full. If the amount remains outstanding and cannot be recovered by council for more than 60 days, the debt may be transferred to the owners account.

6 INDIGENCT ACCOUNT HOLDER

- 6.1.1** Each individual that are deemed to be indigent and that wishes to qualify for the indigent benefit must supply the required documentation and register on the Municipality's indigent database in accordance to the stipulations of the Municipality's approved Indigent Policy.
- 6.1.2** In regard to the payments expected from registered indigents, and the credit control and debt collection actions contemplated in respect of such residents, this policy should be read in conjunction with the Municipality's approved Indigent Policy.
- 6.1.3** There will be no distinction made regarding the implementation of credit control procedures against the arrear accounts of qualifying indigent account holders.
- 6.1.4** The consumer accounts of indigent individuals must be credited on a monthly basis with the approved free basic consumption as approved by Council. They are however liable for the payment of accounts in excess of the portion above the free basic portion.

6.2 STAFF/ OFFICIALS AND COUNCILLORS SERVICES ACCOUNTS

In accordance with the provisions of Schedule 2, of the Municipal Systems Act, 32 of 2000, an official of council, residing within demarcated area of the Council and is individually or jointly responsible for account, may not be in arrears for municipal service fees, surcharges on fees rates or any other municipal taxes, levies and duties levied by the Council for more than 3 (three) months.

Notwithstanding any relevant procedure, method or action that may be taken in terms of this policy, the Municipality may deduct amounts due for more than 3 (three) months from such official's remuneration.

7 NOTICE OF DEFAULT AND INTENDED TERMINATION OR RESTRICTION OF SERVICES

- 7.1.** Notices in writing and/or SMS format will be distributed to every defaulting account holder who has not paid the relevant monthly consumer account in full by the deadline date stipulated on the monthly consumer account, or has not made any payment arrangements with the Municipality for partial or late payment.
- 7.2.** Such notices must be sent or delivered within five (5) working days from the date of the payment deadline date as stipulated on the monthly consumer account.
- 7.3.** A detailed register must be maintained in respect of all consumers to whom notices were served. The following detail should be captured in the register:
- Name and account number of consumer;
 - Balance owing;
 - Method of how notice was served (hand delivered or SMS);
 - Date the notice was delivered or SMS send.
- 7.4.** This notice should clearly indicate that:
- Water and/or electricity services will be terminated or restricted should the amounts owing not be paid or payment arrangement has been made within 10 days from the deadline date as stipulated on the monthly consumer account;
 - Reconnection charges or fee will be charged should the account holder request connection of services after the services were restricted or disconnected as result of non-payments.
 - The deposit of the account holder will be adjusted upwards due to non-payment;
 - The account will be handed over to the Municipality's Legal Department should the account not be settled or payment arrangements made within 30 days from the deadline date stipulated on the monthly account.

8 RESTRICTION OR TERMINATION OF SERVICES

- 8.1 The municipality may restrict or terminate the supply of water and electricity or discontinue any other service to any premises whenever a user of any service fails to make full payment of the monthly consumer account by the due date as stipulated on the monthly consumer accounts or fails to make acceptable arrangements for the repayment of any amount for services, rates or taxes or other amounts due.
- 8.2 Services of consumers who have not settled consumer accounts in full within fourteen (14) days from the payment deadline date as stipulated on the monthly consumer accounts must be restricted and/or terminated. Management to ensure that the financial and debtor systems have been updated with all the receipts.
- 8.3 The final cut-off list must be used as guide for restriction and/or termination of services. Refer to Section 12 for arrangements for late payment or down payment of arrears accounts.
- 8.4 The names of consumers that have approved arrangements for extension of payments, approved and in writing, should be clearly indicated on the final cut-off list to ensure that services to account holders who have settled or made payment arrangements are not disconnected or restricted.
- 8.5 The final cut-off list must be approved by the Chief Financial Officer for the commencement of cut-off procedures by close of business fourteen days after the deadline date as stipulated on the monthly consumer account or closest working day to the 14th day.
- 8.6 The parties responsible for the restriction and/or disconnection of services must restrict / disconnect all services by the end of the 5th day after the final cut-off list was approved by the Chief Financial Officer. Such parties must be supplied with copies of the final cut-off list.

- 8.7 Meter readings must be taken for all meters that were disconnected and of which balances were not paid within five days after services were disconnected to verify that services were not illegally restored or connected. Where services were illegally reconnected criminal actions must be instituted.
- 8.8 If the Accounting Officer is of the opinion that the termination or restriction of an account is not in the best interest of the community because of potential endangerment of the life of any person, the Accounting Officer may restrict rather than terminate the service, and report the fact with his or her rationale to the Council.
- 8.9 Restricting water flow valves must be installed into the consumer's water meters that are in arrears with the repayment of accounts where water services alone are supplied to the consumer. In such instances, water supply will be limited to six (6) kilo-litres per month per meter.
- 8.10 The Manager: Revenue must ensure on a monthly basis that reconnection charges were correctly billed to the accounts of all consumers that appeared on the monthly cut-off list and whose services were reconnected due to full payment of the account.

9 INTEREST CHARGES

- 9.1 Interest will be charged on all overdue accounts that have not paid the full balance owing by the account payment date as stipulated on the monthly consumers' accounts.
- 9.2 The interest rate to be charged on the monthly consumer accounts must be approved by Council during the annual budget approval meeting.
- 9.3 Council must annually review the adequacy of the interest rate charged. Changes to the interest rate charges can only be approved by Council during the annual budget approval process and the rate cannot be changed during a financial year.
- 9.4 Interest on arrear accounts shall be calculated on a daily basis. For purposes of determining arrear amounts, all amounts unpaid, including interest previously raised and penalty charges, but excluding value added tax, shall be taken into account.
- 9.5 The Chief Financial Officer or delegated senior official must ensure on monthly basis that interest is charged on a monthly basis and at the correct rates to all accounts that are in arrears.

10 RECONNECTION OF SERVICES AND CHARGING OF FEES

- 10.1 Where a consumer electricity has been disconnected a reconnection fee will be charged as approved by Council.
- 10.2 The Municipality shall reconnect and/or restore full levels of supply of any of the restricted or discontinued services only after the full amount outstanding is paid, including the costs of such reconnection have been made or a payment arrangement has been made for payment of such outstanding amounts in terms of this Policy, or any other condition(s) of this Policy have been complied with.
- 10.3 The following conditions must also be met before the reconnection is made:
- A service contract/ agreement has been entered into with the Municipality;
 - An additional deposit fee as determined by the municipal council has been charged to the consumer's account;
 - Where consumers are using pre-paid meters, but have fallen in arrears with the remainder of their obligations to the Municipality, the prepaid system will not be reactivated until the outstanding arrears have been settled or an acceptable arrangement made for the payment of the arrear account.
 - The reconnection fee or charge has been paid.
- 10.4 Only the Manager: Revenue or delegated senior accountant can authorise the reconnection of services or reinstatement of service delivery after satisfactory payment and/or arrangement for payment has been made according to this Policy.
- 10.5 The Municipality shall, as far as possible, reconnect or reinstate terminated services within 24 hours after the full payment were received or a payment arrangement with the municipality has been made, unless the Municipality is unable to do so due to circumstances beyond its control. If such circumstances occur, the Accounting Officer or delegated official shall promptly inform the Mayor of such circumstances and any actions required to overcome the circumstances concerned.

11 ILLEGAL RECONNECTIONS OR TAMPERING WITH METERS

11.1 The Municipality's approved meter readers must on monthly basis and when physical meter readings are taken inspect and verify that services are not illegally connected or that meters were not tampered with.

11.2 The officials of the Municipality's Technical Department must also on constant basis inspect properties and meters to identify potential illegal connections or tampering.

11.3 The Manager: Revenue or delegated senior should on monthly basis utilise the final meter reading fault report to identify potential illegal connections or tampering. This could inter alia include the following:

- Meter readings that remained unchanged from the previous month's reading;
- Meter readings that are lower than the previous month's reading;
- Abnormally low readings;
- Abnormally high readings.

11.4 The Accounting Officer or delegated official must as soon as it comes to his or her attention that any terminated or restricted service has been illegally reconnected or reinstated, or where meters were tampered with, report such instances to the South African Police Service and disconnect or restrict such service. The service will not be reconnected or reinstated unless the following were adhered to:

- The arrear account, including interest has been paid;
- The charges for the notice have been paid in full;
- Charges for both the original and subsequent reconnection or reinstatement of the service have been paid;
- The revised deposit has been paid in full
- The penalty, as determined by the Council, has been paid in full;
- All metered consumption since the date of the illegal reconnection, or the estimated consumption, if a reliable meter reading is not available, has been paid.

12 ARRANGEMENTS TO PAY ARREARS

- 12.1 A consumer requesting down payment of an arears balance must complete and sign an application for arrangement for repayments of arrear accounts. The request must be on the standard form, be in writing and be approved by the Municipal manger or the delegated senior official.
- 12.2 A debtor who's down payment request was approved must enter into a written agreement with the Municipality to repay agreed overdue amount by signing a formal agreement and:
- 50% of the debt should be paid upfront prior to payment agreement being reached
 - Admits liability for all outstanding amounts owing and payable to the municipality according to the Municipality's financial system;
 - Offers to pay all outstanding amounts on the terms set by the Municipality,
 - Includes a consent to judgment and shall entitle the Municipality to obtain default judgment against the account holder should the account holder default in terms of the conditions as set out in the agreement.
- 12.3 A copy of the agreement must be given to the account holder or forwarded to the account holder via registered mail.
- 12.4 If there is a breach on any material term of the arrangement, the balance of the arrear account, together with the interest raised on such account, shall immediately become due and payable to the Municipality.
- 12.5 If the accountholder do not make such payments as agreed upon in the agreement, services to the accountholder shall be restricted or terminated and the account shall be handed over to the legal Department for collection.
- 12.6 The written agreement has to be signed on behalf of the municipality by a duly authorised official, i.e. the Accounting Officer or delegated senior official. The original of the agreement must be properly safeguarded.
- 12.7 A maximum of six months is allowed for the account holder to pay the account in arrears. It shall be a condition for the conclusion of any arrangement, that the accountholder is bound to pay every Municipal account in full and on time during the period over which the agreement extends. Debit orders should, as far as possible, be entered into to recover the arrears.

- 12.8 To ensure the continuous payment of such arrangement the amount determined must be affordable to the debtor, taking into account that payment of the monthly current account is a prerequisite for concluding an arrangement. The main aim of an agreement will be to promote full payment of the current account and to address the arrears on a consistent basis.
- 12.9 It is the responsibility of the Manager: Revenue to ensure that the repayments as stipulated in the agreement are being adhered to.

13 ALLOCATION OF PART-PAYMENTS

13.1 If an account holder pays only part of any Municipal account due, the payment will be allocated proportionally, to any unpaid charges in the following sequential order:

- i. Interest raised on the account;
- ii. Sewerage
- iii. Refuse collection
- iv. Water
- v. Electricity and
- vi. Property rates.

13.2 This sequence of allocation should be followed notwithstanding any instructions to the contrary given by the account holder.

14 . APPROPRIATION OF DEPOSITS

14.1 In the event of an account holder's defaulting on the payment of an arrear account when closing the account, the Accounting Officer or delegated official shall forthwith appropriate as much of such deposit as is necessary to defray any costs incurred by the Municipality and the arrear amount owing to the Municipality in the same sequence that is applicable to the allocation of part payments, as contemplated above, but only after services has been discontinued.

15 THE PROCESS OF LEGAL COLLECTION

- 15.1 All accounts in arrears for a period over 90 days must be handed over the Municipality's Legal Department for following up and collection.
- 15.2 All accounts outstanding for a period of 120 days and over with which the Municipality's legal Department were unsuccessful in collection must be handed over to the Municipality's approved debt collectors or attorneys for follow up and collection.
- 15.3 The Municipality's Legal Department, approved debt collectors or attorneys must take all reasonable legal steps to ensure that payments are received.
- 15.4 All individuals or companies whose accounts are in arrears for a period exceeding 180 days and that has signed and honoured payback agreements must be blacklisted.
- 14.5 All legal costs, including attorney-and-own-client costs incurred in the recovery of amounts in arrears shall be levied against the arrears account of the debtor and/or recovered directly by the Legal Department, or approved collecting agents or attorneys.

16 AGENTS, ATTORNEYS AND OTHER COLLECTION AGENTS

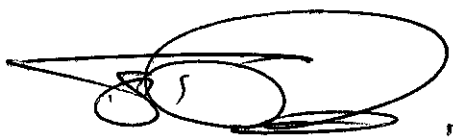
- 16.1 The municipality shall appoint attorneys and / or collecting agents acting through normal supply chain management processes.
- 16.2 All such agents shall be supplied with a copy of the credit control measures.
- 16.3 Under no circumstances may agents negotiate terms, extend payment periods or accept cash on behalf of the Municipality.

17 CLEARANCE CERTIFICATES

- 17.1 In order to obtain a rates clearance certificate when evacuating a property, an account holder must accurately complete a rates clearance application form in full. The evacuation date must be clearly indicated on the request.
- 17.2 The Municipality will provide the full outstanding amount owing on the account to be settled before the clearance certificate will be issued. This will include consumption and basic charges up to the date of property vacation.
- 17.3 The issued certificate should be in the prescribed form and must be signed by the Chief Financial Officer or delegated official once verified that all balances owing on the certificate has been settled.
- 17.4 In the instance where the property owner or surviving spouse or heir is a registered indigent in terms of the Indigent Policy and therefore unable to pay the amount required for the purpose of obtaining the requisite clearance certificate, the Chief Financial Officer may recommend to the Accounting Officer that a clearance certificate be issued by writing off the outstanding debt or amount upon approval by the council.
- 17.5 A clearance certificate can be issued in the instance where an account holder negotiates full and final settlement of his outstanding debt in order to facilitate the transfer of his property, upon payment of the accepted full and final settlement amount by the account holder's financial institution, a submission of a proof of payment to the Municipality.

17 REVIEW OF THIS POLICY

- 17.1 This policy should undergo regular reviews in order to maintain its stipulations in line with the obligations placed on the municipality in terms of section 96 and 99 of the Municipal Systems Act and also to accommodate changes in legislation.
- 17.2 This policy should be reviewed at a minimum, once every financial year.



Municipal Manager

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