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**LOCAL AUTHORITY NOTICE**

**No. 82**

KSD MUNICIPALITY

INDIGENCY BY-LAW



**LOCAL AUTHORITY NOTICE  
KING SABATA DALINDYEBO MUNICIPALITY  
INDIGENT MANAGEMENT BY-LAW**

**TO REGULATE INDIGENCY AND INDIGENT MANAGEMENT POLICY IN  
KING SABATA DALINDYEBO MUNICIPAL AREA.**

THE KING SABATA DALINDYEBO MUNICIPALITY HEREBY MAKES THE FOLLOWING BY-LAW IN TERMS OF SECTION 98 (1) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, NO. 32 OF 2000.

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**PART 1: OBJECTIVE**

Because of the level of unemployment and subsequent poverty in the King Sabata Dalindyebo municipal area, there are households that are unable to pay for normal municipal services. The municipality therefore adopts this indigency management by-law to ensure that these households have access to at least basic municipal services, and is guided in the formulation of this by-law 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 R3 500, 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 based on the following categories of monthly household incomes:

<b>CATEGORY</b>	<b>MONTHLY HOUSEHOLD INCOME</b>	<b>% SUBSIDY</b>
<b>A</b>	<b>R0.00 - R1 100</b>	<b>100%</b>
<b>B</b>	<b>R1 101 - R1 500</b>	<b>85%</b>
<b>C</b>	<b>R1 501 - R2 000</b>	<b>75%</b>
<b>D</b>	<b>R2 001 - R2 500</b>	<b>50%</b>
<b>E</b>	<b>R2 501 - R3 500</b>	<b>40%</b>

These subsidy quanta shall only be applied to the current billing after a thorough screening, verification and evaluation process is provided for in this by-law.

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



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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.

In order to qualify for indigent subsidy the criteria set out below must be met: -

- a. The improved municipal value of the property on which the household resides does not exceed an amount traditionally determined in the annual budget for concessions on assessment rates for the aged.
- b. Documentary proof of income (e.g. a letter from an employer, salary advice, pension card, UIF card, etc.) must be presented.
- c. The Municipality reserves the right to send officials to the premises/ households receiving relief for the purpose of conducting an on site audit of the details supplied.
- d. The account holder must apply.
- e. If the application is approved, the assistance will be valid for a period of 12 months only, with no guarantee of renewal. The onus is on account holders to re-apply for relief each year, failing which the assistance will cease automatically.
- f. The indigent status of the customer must be confirmed by the ward councillor.

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 through the dedicated financial official attached to the Income Division of the Finance and Asset Management Directorate of King Sabata Dalindyebo Municipality 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

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and at times and places determined by the council, but shall generally be undertaken during January and/or February each year.

- UNIFORM REGISTRATION FORM: The registration form to be used for registering of indigents is attached hereto as annexure "1".
- REGISTRATION POINTS: The application forms will be available from the Ward Councilors of King Sabata Dalindyebo Municipality. All completed forms shall be handed in at the office of the dedicated indigent official.
- FREQUENCY OF EVALUATIONS: Re-evaluation will start from February till April every financial year in order to implement it from the start of the next ensuing financial year, i.e. July.
- EVALUATION AND VERIFICATION: Each completed form received will be allotted a unique reference number at the dedicated office at Finance & Asset Management Directorate and be recorded on the database.
  - The uniquely referenced application form (s) will be handed over to King Sabata Dalindyebo Municipality's officials with a social science background to interview each applicant.
  - Social Development & Welfare will be consulted to verify if the applicant (s) is a social grant beneficial. ([www.socdev.gov.za](http://www.socdev.gov.za) or 012 – 312 7500 Verifications = 012 – 312 7918 or 7755).
  - The field workers and ward committee members will make recommendations to an **INDIGENT EVALUATION COMMITTEE**.
  - The Indigent Evaluation Committee will finally approve or disapprove the application taking into account the recommendations of the field workers and ward committee.
- INDIGENT EVALUATION COMMITTEE AND COMPOSITION THEREOF:  
The Evaluation Committee shall comprise: -
  - General Manager – Budget (Convener)
  - The Assistant Director - Income
  - Representative from the Department of Social welfare
  - Relevant Ward councilor
  - Indigent clerk



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Applicants who are dissatisfied with their unsuccessful applications shall lodge their appeals with the "APPEAL BOARD".

- COMPOSITION OF THE APPEAL BOARD
  - o Municipal Manager
  - o Chief Financial Officer
  - o Director – Community services
  - o Portfolio Chairperson – Finance
  - o Portfolio Chairperson – Community services
  - o KSD municipality's social development employee

The Portfolio chairperson for Finance shall be the convener of the appeal board.

**PART 3: APPLICATION OF THE BY-LAW**

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 sewerage charges and charges for household refuse removal, the relief granted shall not be less than a rebate of 50% on the monthly amount billed for the service concerned.

In respect of property rates, the rebate shall be 100% of the rates based on the rateable value up to R30 000 and 75% of the rates based on the rateable value above R30 000.

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**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 by-law, 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 payoff these arrears owing within a reasonable time determined by the municipal manager in terms of the municipality's credit control and debt collection by-law. 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 by-law.

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 by-law 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.

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Further, if a particular representative of the KSD municipality falsifies/ misleads Council, the loss suffered or incurred shall be recovered from such representative.

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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 a monthly 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 a quarterly basis to the Council and to the municipality's ward committees, or monthly frequently to any ward committees if so requested.

**PART 6: PUBLICATION OF THE BY-LAW**

The Municipal Manager shall ensure that the Indigent Management Policy is published for comment in a language/s widely used within the jurisdiction of the King Sabata Dalindyebo Municipality, prior to the adoption of the Indigent Management By-law by the Council.



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