



INDIGENT SUPPORT POLICY

INDIGENT SUPPORT POLICY

[A] PURPOSE

One of the main objectives of the Council is to ensure the provision of free basic services to the community in a sustainable and accountable manner. This objective will, however, only be possible within the financial and administrative capacity of the Council. The Council recognizes the fact that the community has a right of access to basic services. This, however does not give the community the right to the services.

The Council also recognizes the fact that many of the residents can simply not afford the cost of full service provision and for this reason the Council will endeavor to ensure affordability through :

- Setting tariffs in terms of the Council's Tariff Policy which will balance the economic viability of continued service delivery;
- Determining appropriate service levels.

[B] SOURCES OF INCOME

The Council needs to have access to adequate sources of revenue in order to fulfill its constitutional obligation. The available sources should be fully exploited to meet the developmental objectives.

Two main sources of income exist:

- Own revenue which is the main source of income to the Council and which is based on the economic cost to render the service required by the community ;
- Transfers from other spheres of government of which intergovernmental transfers is the most important. A portion of this income [equitable share] is earmarked for indigent support which will be used to alleviate and address poverty.

[C] STANDARDS OF SERVICE

The Council accepts that they are responsible for the rendering of services in terms of schedules 4 and 5 of the Constitution as well as other services which may be delegated by National and Provincial Government.

The Council will endeavor to render a level of services necessary to ensure an acceptable and reasonable quality of life and which takes into account health and environmental considerations. None of the residents should fall below the minimum level of services.

In this regard the Council has accepted the standards for service levels as contained in the Municipal Infrastructure Investment Framework [MIIF] and which are as follows:-

SERVICE	FULL
Roads & Stormwater	Paved, with kerbs and piped drains
Refuse	Weekly household collection

Communities will have to choose an appropriate mix of levels of services based on local priorities and affordability. The Council realizes that in certain circumstances and as a result of past policies certain services are available to communities, the cost of which are beyond the financial means of such communities, and will through this policy assist those communities within the financial ability of the Council.

In each instance the economic cost to render the services shall be calculated in accordance with the Council's Tariff Policy and the level of support shall be based on the following:-

SERVICE	FULL
Refuse	Actual cost
Rates/Service levy	Actual cost

* The daily allowance will be converted to a monthly allowance by multiplying the daily allowance by 30.5.

[D] CRITERIA FOR INDIGENT SUPPORT

The basic point of departure is that Council will assist, through funds received from Central Government, to provide basic services to "poorer" households within the Council's service provision area. In this regard no discrimination on any grounds will be allowed.

In order to qualify for financial assistance the following will apply:-

- (i) Only registered residential consumers of services delivered by the Council will qualify.
- (ii) No residential consumer conducting a business of any magnitude as defined by Council from time to time from the residential property, with or without special consent obtained from the Council or with or without existing usage rights, shall qualify for assistance.
- (iii) Assistance in respect of assessment rates and service fees, and will only be granted to owners of properties, permission to occupy, certificate to occupy and residents in municipal controlled dwellings/flats.
- (iv) Occupants / residents who own more than one property and occupying a house where application is sought will render such application of owner/occupier invalid.
- (v) The account holder must apply in person and must present the following documents upon application:-

4.../

PAGE 4

- * The latest municipal account in his/her possession;
 - * An application form duly completed with the necessary proof as required;
 - * Account holder's identity document.
- (vi) Only households where the total household income is less than R800.00 per month may apply for support.
- (vii) Consumers where the household consumption of electricity is in excess of 200 kilowatt hour per month [for this purpose a month will be classified as a calendar month] will not qualify for assistance.

[E] LEVEL OF INDIGENT SUPPORT

The level of indigent support will be determined annually on receipt of notification from Central Government as to the amount made available. For calculating the level of support the Council has determined two groupings of support i.e. (i) R0 – R700, (ii) R701 – R1 100 household income.

The monthly level of support in accordance with the standard of services provided by the Council will be as follow :-

<u>HOUSEHOLD INCOME SERVICE</u>	<u>R0 -R700</u>	<u>R701-R1 100</u>
		FULL
Refuse	Full	75%
Rates	Full	50%

The maximum monthly indigent support that will be granted per account shall be as determined by Council from time to time.

Should the monthly account be less than the above amount (including VAT) the maximum amount will be the amount of the account.

Unmetered connections will be recalculated quarterly in arrear in order to assure that the tariff remains an economic tariff calculated in accordance with the Council's Tariff Policy.

The monthly indigent support for electricity be determined at 50kw/h.

Metered connections using in excess of the allowed monthly usage shall pay for the additional usage at the normal rate.

In all instances the actual indigent support shall be calculated taking due cognizance of the amount received, the number of applications received and the standard of services.

5.../

[F] DISTRIBUTION OF INDIGENT SUPPORT

Indigent support will only be granted to those residents who applied for assistance and qualified in accordance with criteria as determined and will be applied as follows:-

- (i) All accounts will indicate the economic cost of the services calculated in accordance with the Council's Tariff Policy.
- (ii) The qualifying recipients of indigent supports monthly account will be credited with the respective amount in respect of indigent support.

[G] APPLICATION FOR INDIGENT SUPPORT

- (i) All residents complying with the criteria may apply for indigent support.
- (ii) Application must be made during May of each year and same verified by June of each year, however persons already appearing on the data list whose circumstances have remained the same need not to re-apply. Such data list however must still be reviewed to verify the correctness thereof.
- (iii) Indigent support will, unless re-application has been made and approved, cease after six months from implementation.
- (iv) All applications must be made on the prescribed form and all additional information must be supplied (together with documentary proof where required).
- (v) The onus is on the account holders to re-apply for support on a biannual basis.
- (vi) No retrospective applications will be considered.

[H] COMMUNITY INVOLVEMENT

The Council relies on community participation in applying indigent support. On a monthly basis the Council will be furnished with a report indicating:-

- (i) Name of recipient;
- (ii) Street address/stand number of recipient;
- (iii) Household income declared (category);
- (iv) Amount of monthly account;
- (v) Amount of indigent support granted;
- (vi) Balance of account.

The above will also, with exception of (iii) be displayed at the various cashier offices for general notice and reports of false information, together with sworn affidavits, where applicable.

[I] ACTIONS IN CASE OF FALSE INFORMATION

Should it be established that a recipient of indigent support has supplied the Council with false information or not informed the Council of a change in circumstances within the household:-

- (i) The indigent support will be stopped immediately.
- (ii) The recipient will be liable for the repayment of all indigent support received for the period involved which amount will be debited against the account.
- (iii) Normal effective and efficient credit control in accordance with the Council's Credit Control Policy will apply.
- (iv) Criminal charges may be instituted against the account holder for supplying false information.

It should be noted that at all times the onus to re-apply for support or submit proof of change in circumstances is on the account holder.