



Ephraim Mogale Local Municipality

2011/12 Medium Term Revenue and Expenditure Framework (MTREF) Policy Review

TARIFF AND SUNDRY CHARGES POLICY

AND

BY-LAW

TARIFFS AND RATES POLICY

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EPHRAIM MOGALE LOCAL MUNICIPALITY TARIFF AND RATES POLICY

1. DEFINITIONS

In this policy, unless the context otherwise indicates: -

“Accommodation unit” in relation to any premises, means a building or section of a building occupied or used or intended for residential occupation or use by any person;

“Agreement” means the contractual relationship between the Municipality or an authorised agent and a consumer;

“Authorised agent” means -

- Any person authorised by the Municipality to perform any act, function or duty in terms of, or exercise any power under this policy or
- Any person to whom the Municipality has delegated the performance of certain rights, duties and obligations in respect of providing revenue services; and /or
- Any person appointed by the Municipality in terms of a written contract as a service provider to provide revenue services to customers on its behalf, to the extent authorised in such contract;

“Children’s home” means a dwelling-unit occupied exclusively by orphans

“Domestic purposes”, in relation to the supply of water, means water supplied for drinking, ablution and culinary purposes to premises used predominantly for residential purposes;

“Dwelling unit” means an interconnected suite of rooms, including a kitchen or scullery, designed for occupation by a single family, irrespective of whether the dwelling unit is a single building or forms part of a building containing two or more dwelling units;

“Flat” means a suite of rooms forming a complete unit exclusively used as a residence and contained in a building consisting of two such dwelling-units or more, excluding a hotel, boarding and lodging undertaking and place of instruction.

“Home for the aged, retirement centre or home for the disabled” means dwelling-units occupied exclusively by the aged or disabled, excluding a hotel, boarding and lodging undertaking and place of instruction.

“Household” means a traditional family unit consisting of persons related in some way;

“Industrial purposes”, in relation to the supply of water, means water supplied to any premises, which constitutes a factory, as defined in the General Administrative Regulations made under the Occupational Health and Safety Act, 1993 (Act 85 of 1993);

“Low cost housing” the erection of these residential dwellings has been financed exclusively by means of the subsidy package in terms of the National Housing Subsidy Scheme;

“Occupier” includes any person in actual occupation of the land or premises without regard to the title under which he occupies it and, in the case of premises sub-divided and let to lodgers or various tenants, shall include the person receiving the rent payable

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by the lodgers or tenants whether for his own account or as an agent for any person entitled thereto or interested therein;

“Parks” means a public area where no access is charged and no business is run from.

“Person” means any natural person, local government body, a company or close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association or trust;

“Premises” means any piece of land, the external surface boundaries of which are delineated on:

- a general plan or diagram registered in terms of the Land Survey Act, 1927 (Act No. 9 of 1927), or in terms of the Deeds Registries Act 1937, (Act No. 47 of 1937);
- a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986);
- a register held by a tribal authority or in accordance with a sworn affidavit made by a tribal authority;

“Special Residential” is a stand zoned exclusively for one dwelling-house with one home undertaking, which means a suite of rooms forming a unit which is designed, intended or used for residential purposes by a single family

“Account” means any account rendered for municipal services provided;

“Actual consumption” means the consumption measured, of any consumer;

“Applicable tariff” means the rate, charge, tariff, flat rate, or subsidy determined by the Municipal Council;

“Approved” means approved by the Municipality or its authorised agent in writing;

“Average consumption” means a consumer's estimated average consumption of a municipal service during a specific period, which is calculated by dividing the consumer's total measured consumption of that municipal service for the preceding four months by four;

“Basic water supply” means the minimum standard of water supply services necessary for the reliable supply of water to households to support life and personal hygiene, prescribed in terms of the Act under regulation 3 of Government Notice R509 of 8 June 2001, as amended from time to time, or any substitution for that regulation;

“Connection” means the point at which a consumer is able to access municipal services;

“Connection pipe” means a pipe owned by the Municipality, which is installed by them for the purpose of conveying water from a main to a water installation and includes a “communication pipe” referred to in SABS Code 0252 Part I;

“Consumer” means:

- (a) Any person who occupies premises to whom and in respect of which premises the Municipality-

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- Has agreed to provide water services;
- Is actually providing water services;
- Has entered into an agreement with the Municipality for the provision of water services or on any premises;

(b) The owner or tenant of any premises to which the Municipality is providing water services;

(c) Where water services are provided through a single connection to a number of accommodation units or consumers or occupiers, means the person to whom the Municipality agreed to provide such water services; and

(d) Any end-user who receives water services from the Municipality or other water services institution.

“Container” means all types of containers owned by the Municipality including, plastic bags and bulk containers;

“Determined” means determined by the Municipality from time to time;

“Emergency situation” means any situation that if allowed to continue poses a risk or potential risk to the financial viability or sustainability of the Municipality or a specific municipal service;

“Meter” means a water meter as defined in the regulations made under the Trade Metrology Act, 1973 (Act 77 of 1973), or, in the case of a water meter of a size greater than 100 mm, a device which measures the quantity of water passing through it;

“Sewage” means waste water, industrial and commercial effluent, standard domestic effluent and other liquid waste, either separately or in combination, but does not include storm water;

“Sewage disposal system” means a structure, pipe, valve, pump, meter or other appurtenance used in the conveyance of sewage through the sewer reticulation system and the treatment thereof at a sewage treatment plant under the control of the Municipality and which may be used by it in connection with the disposal of sewage;

“Sewer” means any pipe or conduit which is the property of or is vested in the Municipality and which may be used or is intended for the conveyance of sewage from the connecting sewer but does not include a drain as defined; and "municipal sewer" has a corresponding inclusive meaning;

“Municipality” means –

- the Greater Marble Hall Municipality or;
- the Municipal Manager of the Greater Marble Hall Municipality in respect of the performance of any action or exercise of any right, duty, obligation or function in terms of this policy;
- an authorised agent of the Greater Marble Hall Municipality;

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“Municipal Council” means the Municipal Council as referred to in section 157(1) of the Constitution, 1996 (Act No. 108 of 1996);

“Municipal Manager” means the person appointed by the Municipal Council as the Municipal Manager of the Municipality in terms of section 82 of the Local Government Municipal Structures Act, 1998 (Act No.117 of 1998) and includes any person –

- acting in such position; and
- to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty;

“Municipal services” means for purposes of this policy, services provided by the Municipality, including refuse removal, water supply, sanitation, electricity services and rates or any one of the above;

“Public notice” means publication in an appropriate medium that may include one or more of the following –

- publication of a notice, in the official languages determined by the Municipal Council, –
 - (i.) in the local newspaper or newspapers in the area of the Municipality; or
 - (ii.) in the newspaper or newspapers circulating in the area of the Municipality determined by the municipal council as a newspaper of record; or
 - (iii.) by means of radio broadcasts covering the area of the Municipality; or
- displaying a notice at appropriate offices and pay-points of the Municipality; or
- communication with customers through public meetings and ward committee meetings;

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2. INTRODUCTION AND OBJECTIVE

In order to give effect to the provisions of the Constitution, the Municipality must give priority to the basic needs of the local community, to promote the development of the local community and to ensure that all members of the local community have access to at least the minimum level of basic municipal services.

The services provided by the Municipality must be:

- Equitable and accessible;
- Provided in a manner conducive to the prudent, economic, efficient and effective use of available resources and the improvement of standards of quality over time;
- Financially sustainable;
- Environmentally sustainable; and
- Regularly reviewed with a view to the upgrading, extension and improvement of services

Various statutes enable authorities rendering certain services to impose tariffs. To ensure that the cost of services rendered is recovered as far as possible, tariffs have to be revised on an annual basis.

This policy has been compiled to address tariffs for services and comply with the requirements and guidelines as set by following acts and other documents:

- SALGA – Local Government Financial Best Practise Manual
- The Constitution of the Republic of South Africa, 1996, Act 108 of 1996
- The Municipal Systems Act, Act 32 of 2000
- The Municipality's Indigent Policy
- Fire Brigade Service Act, Act 94 of 1987
- Local Government Transaction Act, 1993, S10G (7)
- Municipal Finance Management Act, Act No. 56 of 2003
- Property Rates Act, Act No. 6 of 2004

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The purpose of this policy is therefore to:

- set clear guidelines in the identification of responsibility for the setting and implementation of a tariff policy for the Municipality;
- set guidelines for the identification of different categories of users;
- Set guidelines for the determination of tariffs for the different categories of users and services rendered.

The policy will further lay down the broad principles, which will result in the adoption of a By-Law for the implementation and enforcement of the Tariff Policy.

Service tariffs imposed by the Municipality shall be viewed as user charges and shall not be viewed as taxes.

3. TARIFF POLICY

3.1 GENERAL

This policy has been compiled taking into account, where applicable the guidelines set out in the Municipal Systems Act, Act No. 32 of 2000, section 74. In determining the annual tariffs, Council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region and of the impact which its own tariffs may have on local economic development.

- 3.1.1 A Municipal Council must adopt and implement the tariff policy on the levying of fees for municipal services provided by the Municipality itself or by way of service delivery agreements, which complies with the provisions of this Act and with any other applicable legislation.
- 3.1.2 The Municipality should ensure that users of municipal services are treated equally in the application of tariffs and that tariffs are applied uniformly and fairly throughout the Municipal area of jurisdiction;
- 3.1.3 Tariffs for all major services and sub-services should as far as possible recover the expenses associated with the services concerned. The tariff individual users pay for services should generally be in proportion to their use of that service, as well as the quality of the service provided;
- 3.1.4 Poor households should have access to at least basic services through –
 - 3.1.4.1 Tariffs that cover only operating and maintenance costs
 - 3.1.4.2 Special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service, or;

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- 3.1.4.3 Any other direct or indirect method of subsidisation of tariffs for poor households;
- 3.1.5 Tariffs should reflect the cost reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs and interest charges;
- 3.1.6 Tariffs should be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;
- 3.1.7 Provision may be made in appropriate circumstances for a surcharge on the tariff for a service;
- 3.1.8 Provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- 3.1.9 The economical, efficient and effective use of resources, the recycling of waste and other appropriate environmental objectives should be encouraged;
- 3.1.10 The Municipality should, as far as possible, ensure that the tariffs raised in respect of the services offered further generate an operating surplus each financial year of at least 5% as the Council of the Municipality may determine at the time that the annual operating budget is approved. Such surpluses should be applied in relief of property rates and for the partial financing of general services or for the future capital expansion of the service concerned, or both. The modesty of such surplus shall prevent the service tariffs concerned from being viewed as concealed taxes;
- 3.1.11 The Municipality should develop, approve and at least annually review an indigence support programme for the municipal area. This programme should set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents and the implications of such policy for the tariffs which it imposes on other users and consumers in the Municipal region;
- 3.1.12 The Municipality may differentiate between different categories of users and consumers with regard to the tariffs, which it levies. Such differentiation shall, however, at all times be reasonable and be fully disclosed in each annual budget;
- 3.1.13 The Municipality's tariff policy should be transparent and the extent to which there is cross-subsidisation between categories of consumers or users shall be evident to all consumers or users of the service;
- 3.1.14 The Municipality undertakes to ensure that its tariffs shall be easily explainable and understood by all consumers and users affected by the tariff policy concerned;
- 3.1.15 The Municipality undertakes to render its services cost effectively in order to ensure the best possible cost of service delivery;
- 3.1.16 In adopting a two-part tariff structure, namely a fixed availability charge coupled with a charge based on consumption, the Municipality believes that it is properly attending to the demands which both future expansion and variable demand cycles and other fluctuations will make on service delivery;

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- 3.1.17 In the case of directly measurable services, like water, the Municipality shall properly meter the consumption of such services and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. The charges levied on consumers shall be proportionate to the quantity of the service they consume. Where meters could not be read in a specific month, consumption will be based on the average consumption of the preceding four months;
- 3.1.18 In addition, the Municipality shall levy monthly availability charges for the services concerned and these charges shall be fixed for each type of property.
- 3.1.19 In considering the costing of its water, sanitation and sewerage services, the Municipality shall take into consideration the high capital cost of establishing and expanding such services and of the resultant high fixed cost, as opposed to variable cost of operating these services. The Municipality therefore undertakes to plan the management expansion of the services carefully, in order to ensure that both current and reasonable expected future demands are adequately catered for and that demand levels which fluctuate significantly over shorter periods are also met. This may mean that the services operate at less than full capacity at various periods and the costs of such surplus capacity must also be covered in the tariffs that are annually levied.
- 3.1.20 Equal services will be supplied to all the residents of the Greater Marble Hall Municipality once the necessary administrative procedures have been completed at the Municipality's offices and the necessary consumer deposits been paid. The municipal services provided to residents and communities in the municipal area should:
- Be within the municipality's financial and administrative capacity;
 - Be regularly reviewed with a view to upgrading, extension and improvement,
 - Be provided in a manner that:
 - Is fair and equitable to all its residents and communities,
 - Ensures the highest quality service at the lowest cost and the most economical use and allocation of available resources and
 - Is financially and environmentally sustainable.

For this purpose the Municipal Council should adopt, maintain and implement a Tariff Policy that complies with the provisions of the Municipal Systems Act.

3.2 TARIFF FRAMEWORK AND STRUCTURES

In order to determine the tariffs, which should be charged for the rendering of services, the Municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:

- Cost of bulk purchases in the case of water

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- Distribution costs
- Distribution losses in the case of water
- Depreciation expenses
- Maintenance of infrastructure and other fixed assets
- Administration and service costs, including:
 - Service charges levied by other departments, such as finance, human resources and legal services
 - Reasonable general overheads, such as the costs associated with the office of the Municipal Manager
 - Adequate contributions to the provisions of bad debts and obsolescence of stock
 - All other ordinary operating expenses associated with the service concerned (note: the costs of the democratic process in the Municipality, shall form part of the expenses to be financed from property rates and general revenues and shall not be included in the costing of the major services of the Municipality)
 - The intended surplus to be generated for the financial year, such surplus to be applied:
 - As an appropriation to capital reserves; and/or
 - Generally in relief of rates and general services
 - The cost of approved indigence relief measures

3.2.1 Water tariff

Tariffs will be based on a two-part tariff structure. The objective of this structure will be to recover all costs plus a percentage for future development from the users of the service.

The Municipality shall provide the first 6kl of water per month free of charge to consumers who have registered as indigents in terms of the Municipality's indigence relief programme. The Municipality shall further consider relief in respect of tariffs for sewerage and refuse removal for such registered indigents to the extent that the Council deems such relief affordable in terms of each annual budget, but on the understanding that such relief shall not be less than a discount of 50% on the monthly amount billed for the service concerned.

Because water is a scarce national resource, the Municipality is committed to the prudent conservation of such resources. The tariff levied for domestic consumption

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shall be based on monthly consumption of more than 6kl but not more than 30kl, more than 31kl but not more than 40kl, more than 41kl but not more than 50kl. Tariffs for non-domestic consumption shall be based on a single charge per kl consumed, irrespective of the volume of consumption concerned.

The categories of water consumption as set out below shall be charged at the applicable tariffs, as approved by the Council in each annual budget. Tariff adjustments shall be effective from 1 July of each year.

Categories of consumption and charges shall be:

- All domestic water consumers registered as indigents with the Municipality shall receive the first 6kl of water consumed of each month free of charge. Thereafter a stepped tariff per kl as determined by the Council from time to time shall be applicable on metered water consumption.
- All domestic consumers shall be charged for actual water consumption at a stepped tariff per kl as determined by the Council from time to time. The first 6kl of water to normal domestic consumers shall be free of charge.
- The tariff applicable to domestic consumption of water shall not exceed 80% per kl of the tariff applicable to other consumers. All other consumers, including businesses, industries and institutional consumers, shall pay the same single tariff per kl, irrespective of the volume of water consumed.
- A basic charge per water meter, as determined by the Council from time to time, shall be charged on all water consumers, except registered indigents and consumers using prepaid meters.
- The local Municipality' departmental water consumption shall be charged at cost.

- **Fixed tariff**

To recover all fixed costs. It will be based on the average square meters for each stand per tariff structure

- **Variable tariff:**

To recover all costs on all other expenses not recovered by the fixed tariff. It will be based on the consumption of the users.

- **Bulk water supply to other local Governments**

A quantity charge for water supplied since the previous meter reading according to the applicable Lepelle Water Board tariff including the Water Research Fund levy, plus 10% administrative charge or as per agreement.

- **Pre-paid water meters**

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Tariffs for pre-paid meters shall be the same as the ordinary consumption tariffs levied on the category of consumer concerned, but no availability charge shall be levied on properties where pre-paid meters have been installed. The distinction is made in recognition to the financial advantages which pre-paid entails for the service in question.

- **Tariff for unauthorised water consumption**

Amount payable for water consumption obtained through illegal water consumption. A once-off levy is payable, after which the connection will be formalised. The levy will be based on the diameter of the connection.

Spot fines may be imposed in terms of the Water-supply By-laws, for unauthorised connections or damage to the water-supply system.

- **Charges for connecting the water supply**

Fees are payable for supplying and laying connecting pipes and for the installation of water meters, not more than 10 m from the nearest connection point. These fees are based on the size of the meters.

- **Discontinuation or restriction of the water service owing to the failure to pay**

The Municipality reserves the right to discontinue or restrict the supply of water services where consumers or users fail to pay their monthly charges.

- **Movable water meters**

Construction Connections

The applicant must apply in writing to the Water and Sanitation Division and make it clear for what purpose and for how long the meter is required, following which the Water and Sanitation Division may approve or reject the application. The applicant must undertake, on approval of his or her application, to enter into an agreement in respect of the use of the water meter. The Chief Financial Officer will also levy a consumer deposit, which will be refunded at the end of the period for which the meter was requested.

- **Contribution charge**

A contribution charge may be levied where a new pipeline is requested and the Municipality does not have the infrastructure where the new pipeline will be situated.

Refer to Annexure A, section A for the approved tariff structure

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3.2.2 Waste management tariff

The categories of refuse removal users as set out below shall be charged at the applicable tariffs, as approved by Council in each annual budget. Tariff adjustments shall be effective from 1 July of each year.

- A separate fixed monthly refuse removal charge shall apply to each of the following categories of users, based on the cost of the service concerned:
 - Domestic and other users (once weekly removal)
 - Business and other users (once weekly removal)
 - Business and other (bulk consumers)
- The Municipality reserves the right to determine the type of service, the minimum number of containers and the frequency of services.
- Only the Municipality or its authorised agent may service or remove containers owned by the Municipality.
- The Municipality or its authorised agent shall service only containers provided by the Municipality and marked as such. All other containers shall be confiscated if the private operator/owner is not registered with the Municipality.
- Dwelling units must pay the applicable tariff per household irrespective of the number of containers put out for removal.
- The Municipal Manager will determine the service per residential area or user for the removal of waste.
- Smallholdings not serviced by the Municipality may dispose their waste at the Municipality's dumping site at the tariff approved by Council.
- Domestic, business and garden waste will be removed by means of containers or waste bags in all jurisdiction of the Municipality. Tariff per container per month or part of a month will depend on the size of the container.
- A daily service is compulsory in terms of the Health Act for each and every business generating food residues.
- Handling fee for lost containers to be replaced, as well as the cost of the container at the same price as the contract price of the Municipality.
- Casual waste-removal service will be available for use of temporary venues and the charges must be paid in cash in advance.
- Provincial Government hospitals within the jurisdiction area of the Municipality will be charged for waste removal only.

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- Registered indigents may receive such discount on this charge as Council deems affordable when approving each annual budget, but on the understanding that such discount shall not be less than 50% of the monthly amount billed as a refuse removal charge
- Hospitals and medical practitioners may not dispose of any medical toxic waste as part of the Municipal waste management system. Such waste must be dispose of by the parties mentioned on own cost and own arrangements.

Refer to Annexure A; section B for the approved tariff structure.

3.2.3 Emergency services tariffs

- Emergency incidents will be categorised into groups in accordance with the degree of risk.
- The Chief Fire Officer or his authorised official shall assess each incident and assign an appropriate incident group for the purpose of assessing the amount payable.
- Tariffs will include call out costs, operating time and crew. Times shall be calculated from time of arrival to until time of departure from an incident.
- The basic tariff rate will be based on total costs that will be incurred for:
 - Vehicles and normal number of personnel required operating the equipment.
 - Additional personnel that might have to be called in.
 - External services employed to assist with an incident and for which the municipality is liable for the costs. Such external services can include persons, vehicles, plant and water borne vessels, aircraft and any other associated costs.
 - Water usage charge and filling of tanks. The cost of water will be as per water tariff per kl of water used.
- Where a grievance is received from a person so assessed, the grievance shall be dealt with in accordance with section 10(3), 10(4) and 10(5) of the Fire Brigade Services Act, 1987 (Act 99 of 1987).
- Tariff outlay

Incident Group	Group Definition	Basis for tariff
Group 1	Low risk category- risk of the incident spreading is slight. Calls of a purely humanitarian nature Residential dwellings of not more than 3 stories Informal dwellings	No charge is levied

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	Light motor vehicles	
Group 2	Moderate risk, risk is greater than that of the low risk category but less than that of high category. Vegetation Light commercial vehicles	Charges are based on the basic tariff.
Group 3	Moderate to high risk Structural storage Vehicle incidents of a moderate risk	Charges are based on the basic tariff multiplied by three
Group 4	High risk Vehicle incidents of high risk	Charges are based on the basic tariff multiplied by five
Group 5	Very high risk Aircrafts	Charges are based on the basic tariff multiplied by six

Refer to Annexure C, section A for the approved tariff structure

3.2.3 Sanitation tariff

The categories of sanitation users as set out below shall be charged per month at the applicable tariff as approved by the council in each annual budget. Tariff adjustments will be effective from 1 July of each year.

Categories of usage and charges shall be:

- A fixed monthly charge based on the costs of the service shall be charged for domestic users. Registered indigents may receive such discount on this charge as the Council deems affordable when approving each annual budget, but on the understanding that such discount shall not be less than 50% of the monthly amount billed for this service
- A fixed monthly charge based on the cost of the service per sewer point/toilet shall be charged to the Municipality's departments equal to the lowest tariff
- An effluent fee shall further be payable by factories and other industrial users, where the wastewater emanating from such users requires special purification measures by the Municipality. Such fees shall be based on the toxic content of the wastewater concerned and the costs of the purification
- Blockage removal tariff for the Municipality - In areas where the municipality's sanitation infrastructure and capacity allow it, a service is provided for removing blockages from private sewers without affecting the status quo, at the cost of the owner of the property. These charges will be based on a fixed tariff as well as a call-out charge.

Refer to Annexure A, section D for the approved tariff structure

3.2.4 Burial services

The Municipality may charge fees for the burial services, based on the residential status of the deceased.

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Refer to Annexure A, section E for the approved tariff structure

3.2.5 Charges for the approval of building plans

Fees are payable to the Municipality for the approval of building plans. These charges are based on the total square meters of the property.

Refer to Annexure A, section F for the approved tariff structure

3.2.6 Town planning charges

Charges are payable to local authorities in terms of the provisions of the town planning and township ordinance 1986 (no. 15 of 1986). These charges are based on the service supplied.

Refer to Annexure A, section G for the approved tariff structure

3.2.7 Library charges

The Municipality may raise library charges. The library charges are at a fixed tariff for all residents.

Refer to Annexure H, section A for the approved tariff structure

3.2.8 Sundry charges

Users shall be charged, as set out below, at the applicable tariff as approved by Council in each annual budget. Tariff adjustments will be effective from 1 July each year.

All sundry tariffs shall be standardised within the Municipal region.

All sundry tariffs, when deemed appropriate by Council, will be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot accurately be determined, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.

All sundry tariffs over which the Municipality has full control and which are not directly related to the cost of a particular service, shall be adjusted annually to be at least in line with the prevailing consumer price index, unless there are compelling reasons why such adjustment should not be affected.

Fees will be charged for the following sundry services supplied by the Municipality to consumers:

- Unpaid debit orders (per account)
- Supply of information (faxes) per page
- Supply of information (statements)

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- Monthly account
- Furnishing of valuation certificates
- Furnishing of clearance certificate
- Duplicate of clearance certificate
- Final meter reading levy
- Sales of plastic refuse bags
- Sales of refuse bins
- Photostat copies and fees
- Advertising sign fees or banners
- Penalty and other charges imposed in terms of the approved policy on credit control and debt collection
- Penalty charges for the submission of dishonoured, post-dated or otherwise unacceptable cheques
- Removal of garden refuse
- Posters
- Removal of building rubble
- Cleaning of stands
- A fine may be imposed on the owner of a stand, if the owner fails to fence in the stand within three months of signing of the purchase agreement.

Refer to Annexure A, section I for the approved tariff structure

3.2.9 Rentals

Housing rentals

Market-related rentals shall be charged for the lease of the Municipal houses.

Rental of Municipal halls and premises

When the Municipal Manager is satisfied that the halls or premises are required for non-profit making purposes and for the provision of a service to the community, the Municipal Manager may waive 50% of the applicable rental.

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The Municipal Manager shall determine whether an indemnity or guarantee must be lodged in each instance, for the rental of municipal halls, premises and sports fields and in so determining shall be guided by the likelihood of the Municipality's sustaining damages as a result of the use of the facilities concerned.

Rental agreements should be completed and signed for each individual rental transaction.

Refer to Annexure A section J for the approved tariff structure

3.2.10 Free community services

The following services shall be considered as community services and no tariffs shall be levied for their use:

- Municipal museum and art gallery
- Disposal of garden refuse at the Municipal dumping site for ratepayers only
- Maintenance of graves and garden of remembrance (cremations)

3.2.11 Assessment rate tariff

- Assessment rates must be levied in accordance with the Property Rates Act, Act No 6 of 2004
- Assessment rates are based on a fee that is calculated as "cent in the Rand". "Cent in the Rand" is calculated using the value of the property divided by the total area of the property
- A general valuation should be made on all properties that fall within the Municipal boundaries, at least every four years, by a sworn appraiser.
- A general assessment rate must be levied on the site value of land, including land or any portion of land which is the property of the Municipality and which is let by it, or on the site value of a right in land on all rateable properties recorded on the valuation roll, provisional valuation roll, provisional supplementary valuation roll and supplementary valuation roll.
- Improved residential properties should be granted a residential rebate of 20% provided
 - Such properties are used predominantly for residential purposes, provided that there are not more than two dwelling units per individual property
 - Such residential properties are registered in terms of the Sectional Titles Act, 1971 (now Act 95 of 1986).
 - Such rateable residences are situated on properties used or related to educational purposes

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- Such properties are owned by share-block companies
- Such properties are not subject to provisions of Section 4 of the Rating of State Property Act 1984
- Homes for the aged, retirement centres and villages, which are exclusively used for residential purposes by the aged.
- Different categories of properties may have different rates.
- The Municipality may exempt certain categories of owners from payment of rates.
- The Municipality may grant a special rebate on some of the categories of owners as specified in the tariff and rates By-Law.
- A special rebate should be granted to owners of bona fide, agricultural property of 50%. Agricultural property should be levied at property rates for agricultural property.
- When considering criteria for exemptions, rebates and reductions on properties for agricultural purposes, the Municipality must take into account the following:
 - Extent of services by Municipality in respect of such properties
 - Contribution of agriculture to the community
 - Contribution of agriculture to the social and economic development of farm workers
- The Municipality's assessment rate tariffs will be categorised in the following categories:
 - Residential
 - Industrial
 - Farms
 - Small holdings
 - State owned
 - Municipal properties
 - Public service
 - Formal and informal settlements
 - Protected areas

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- Churches
- Schools and tertiary institutions
- Where Council has by way of majority decision awarded a grant-in aid on the assessment rates or rateable properties of the classes referred to in section 32A of the said Ordinance and after the owner of such property has applied to the Council in writing, for such grant-in-aid, the said grant-in-aid will be in force.
- A Municipality may by resolution of Council determine an area as a special rating area and may enforce an additional rate in a special rating area.
- Persons who on 30 June 2005 have reached the age of sixty-five years or more and physically or mentally disabled people who can substantiate receipt of a social pension and persons certified by the Medical Officer of Health as physically or mentally handicapped, be remitted 40% of the general assessment rates due, subject to the following conditions:
 - That the Premier must approve the category of persons in this recommendation in terms of section 32(1)(b)(iv) of the aforesaid Ordinance.
 - That the joint income of the applicant and his/her spouse, if any, for the year ended 30 June 2005 shall not exceed R24 000.
 - That the rateable property concerned must be occupied only by the applicant and his/her spouse, if any and by dependants with no income, or by people because of specific circumstances in the Chief Financial Officer's opinion.
 - That the rateable property concerned must qualify for the rebate granted in terms of section 21(4) of the said Ordinance, for the 2005/2006 financial year.
 - That there must not be more than two dwelling-units on the rateable property concerned. Provided that where there is two-dwelling units on the rateable property (duet-houses) the remittance of the rebate is only applicable if separate accounts are rendered to the individual owners subjected to the Municipality's conditions for the separation of the account.
 - That the applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, also proof of the receipt of a social pension or, if not in receipt of such pension, proof of certification by a Medical Officer of Health.
 - That the improved value of the rateable property concerned as contemplated in section 9(1)(a) of the foregoing Ordinance does not exceed R450 000,00 at 30 June 2005.
 - That the consumers' current account be paid in full.

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- That a person who qualified as at 30 June 2005 will still qualify for the foregoing rebate provided that his or her account is paid in full.
- That, if the applicant complies in all respects with these conditions, the amount remitted will be credited on the account.
- That the amount due in respect of general assessment rates for the 2005/2006 financial year as contemplated in section 27 of the said Ordinance must, in terms of section 26(1)(b) be paid in equal instalments by the owner of the rateable property on or before the date determined on the monthly account.
- That interest as contemplated in section 27(2) of the said Ordinance will be levied on general assessment rates in arrears and that legal proceedings for the recovery of all such rates in arrears, plus interest, will be instituted against defaulters.

Refer to Annexure A; section K for the approved tariff structure

4. By-Laws

The Municipal Council should adopt by-laws, according to Section 75 of the Municipal Systems Act No. 32 of 2000, to give effect to its Tariff Policy, its implementation and enforcement. By-laws may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas, as long as the differentiation does not amount to unfair discrimination.

CERTIFICATE OF ENDORSEMENT:

The Agreement to this Policy shall come into effect on the date of endorsement and shall cease only in the event where such changes/variations has been reduced to writing and been signed by the Accounting Officer. Unless in the event where any changes in any applicable Act, Legislation has jurisdiction to supersede.