



INDIGENT POLICY

OUR VISION

A united, **integrated**, prosperous municipality progressively free of poverty and dependency

OUR MISSION

To build a sustainable sound Witzenberg that through efficient and effective **utilization** of its current resources establishes a platform for the progressive overcoming of poverty, underdevelopment and provides the basis for a prosperous life for all citizens

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1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economical development of the community is assisted in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 151(1) (b) and 153(b).

In terms of the IDP 2007/2011 as approved by Council on the 30 May 2007 basic level services are defined as shown in table 1.

Table 1

| | <i>Rural Service Level (all areas outside Ceres, Tulbagh and Wolseley)</i> | <i>Urban Service Level</i> | | |
|-----------------------------|--|--|-----------------------|---------------------|
| | | Basic | Intermediate | Full |
| Water | Local provision and communal standpipes | Communal Standpipes | House connections | House connections |
| Sanitation | Ventilate improved pit latrines (VIPs) | Ventilate improved pit latrines (VIPs) | Simple waterborne | Full waterborne |
| Electricity | 20/30 Amp Ready Board | 20/30 Amp Ready Board | 20/30 Amp Ready Board | 60 Amp |
| Roads | Graded | Graded | Gravel | Tarred |
| Storm water Drainage | None | Open Channel - no lining | Open channel – lined | Piped |
| Refuse Removal | Communal skips | Communal skips | Communal skips | Kerbside collection |

Source Witzenberg IDP - 2007/2011

In an effort to make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the **Indigent Policy**, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledge that the assistance will only be possible with the assistance of National Governments Fiscal.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

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3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy;
- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 151(1) (b) – provision of services in sustainable manner,
- Sect 153(b) – participation in national and provincial programs, and
- Sect 156 – powers and functions to be preformed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1)(b) of the Constitution, read with Section 74(2)(c) of the systems act provides enough powers to the Municipality to subsidize the poor with regard to other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

“Household” a family unit consisting of a head of the family, blood relatives, adopted children and any other persons living on the same plot.

“Indigent household” a household that complies with the criteria as determined in section 6 of this policy.

“Income” All sources of income for example, salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants or maintenance support whether via court order.

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6. CRITERIA

The assistance is classified into two categories of urban households, namely

- Category A
- Category B

Assistance is also provided to Old Age Homes and to customers within the jurisdiction area of Witzenberg Municipality but in areas where the Municipality is not the supplier of Electricity. With regard to the latter there is an agreement between Eskom and the Municipality in order to provide access to supply for the poor. The basis for the provision of access to certain customers in terms of that agreement is according to the size of their electricity connection.

6.1. The qualification criteria for urban households in order to receive assistance are as follow:

6.1.1. The head of the household must be a South African citizen;

6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;

6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;

6.1.4. No member of the household may own a fixed property other than the site on which the household resides; and

6.1.5. The household joint gross income may not exceed the levels as determined from time to time by Council, currently as follow:

- Category A – R 2,700.00 per month;
- Category B – R 3,700 per month.

6.2. The qualification criteria for old age homes in order to receive assistance are as follow:

6.2.1. More 50% of the residence within the old age home must receive less than R 2,700.00 per month income; and

6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.

6.3. The qualification criteria for rural areas households in order to receive assistance with regard to graveyard costs are as follow:

6.3.1. The head of the household must be a South African citizen;

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6.3.2. An application on the prescribe form, fully completed with the required information and signed, must be provided; and

6.3.3. The household joint gross income may not exceed the levels as determined from time to time by Council, currently as follow:

- Category A – R 2,700.00 per month;
- Category B – R 3,700.00 per month.

6.4. The qualification criteria for electricity customers within the jurisdiction area of Witzenberg Municipality but in areas where the Municipality is not the supplier of electricity is that their connection may not exceed 20 Amps.

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

7.1. Category A (Joint gross household income less than R2700)

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R 85,000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 85,000 market value or the total valuation of property.

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 Kwh consumption per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where applicable.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month.

7.1.5 Refuse removal

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A subsidy equal to 100% of the amount charged for the service per month.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.1.7 Graveyard costs

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household.

7.1.8 Transfer costs

7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.1.8.2. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name, this as a result of death of the head of the household whilst approved as a Indigent household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality.

7.2. Category B (Joint Gross household income less than R3700)

7.2.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R 85,000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 85,000 market value or the total valuation of property.

7.2.2 Electricity

A subsidy equal to the amount charged for the first 50 Kwh consumption per month.

7.2.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 81,2% subsidy on the basic charge for water, where applicable.

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7.2.4 Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.2.5 Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

7.2.6 Graveyard costs

A subsidy equal to the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household who is registered on the prescribed application form.

7.2.7 Transfer costs

7.2.7.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of divorce or separation, the person who is residing on the plot, qualifies for subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.2.7.2. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name, this as a result of death of the head of the household whilst approved as a Poor household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality. (To be removed).

7.3. Old age Homes

7.3.7. Electricity

A subsidy equal to 10% of the amount charged for the service per month.

7.3.8. Water

A subsidy equal to 81,2% of the amount charged for the service per month.

7.3.9. Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.3.10. Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

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- 7.4. Graveyard costs with regard to instances where household do not receive a municipal account

A subsidy equal to the amount charged for graveyard cost is applicable when compliance of the following criteria can be provided:

- Criteria as set in 6.1.1;
- Criteria as set in 6.1.2; and
- Criteria as set in 6.1.5 as far as it concern the threshold level of indigent subsidy.

- 7.5. Customers in areas where electricity is supplied by Eskom

A subsidy equal to the amount charged for the first 50 Kwh consumption per month

8. ADMINISTRATIVE PROCEDURES

8.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councilors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:

- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

8.2. Application Procedure

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- 8.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.
- 8.2.2. The application must be on the prescribe application form. Attached as Annexure 8.1.2.
- 8.2.3. The application form must at least include the following documents:
- Copy of the latest municipal accounts, where applicable;
 - Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;
 - Copy of the deceased identification and death certificate documents, where applicable;
 - Proof of income, certified by employer as a true reflection, if applicable;
 - Copy of the pension card, UIF card, or interest certificate, etc, if applicable; and
 - An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 8.1.3)
- 8.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.
- 8.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.
- 8.2.6. The Municipality undertakes to remind the household, two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.

8.3. Measurement and duration of applications for approval

- 8.3.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.
- 8.3.2. An approved application is valid for a period of twelve months.
- 8.3.3. If an applicants financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affect the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.

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- 8.3.4. The onus rest with the applicant to inform the Municipality of any such changes.
- 8.3.5. The approval will stop automatically two months after the head of the household passed away. If the household left be hind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.

8.4. Disputes

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

9. COMMENCEMENT DATE

This policy takes effect as from the 1 July 2009.