# EKURHULENI METROPOLITAN MUNICIPALITY

# TARIFF BY-LAW

[COUNCIL RESOLUTION: A – F (44-2011) DATED 20 April 2011]
[Date of Commencement: 1 JULY 2011]

**EKURHULENI METROPOLITAN MUNICIPALITY**
**TARIFF BY-LAW**

To give effect to the implementation of the Ekurhuleni Metropolitan Municipality's individual tariff policies and to provide for matters incidental thereto.

**Preamble**

1. Section 229(1) of the Constitution of the Republic of South Africa authorizes a municipality to impose

   a. Rates on property and surcharges on fees for services provided by or on behalf of the municipal, and
   b. If authorized by national legislation, other taxes, levies and duties.

2. In terms of section 75A of the Systems Act, 32 of 2000, a municipality may:
   a Levy and recover fees, charges or tariffs in respect of any function or services of the municipality, and
   b. Recover collection charges and interest on any outstanding debt.

3. In terms of section 74(1) of the Systems Act, 32 of 2000, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of services delivery agreements and which complies with the provisions of the systems act, the Local Government Municipal Finance Management Act, 53 of 2003 and any other applicable legislation.

4. In terms of section 75(1) of the Systems Act, 32 of 2000, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff polices.

5. In terms of section 75(2) of the Systems Act, 32 of 2000, by-laws adopted in terms of subsection 75(1) may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.

BE IT THEREFORE ENACTED by the Council of the Ekurhuleni Metropolitan Municipality, as follows:-

**Definitions**

In this By-Law any word or expression to which a meaning has been assigned in the Act, shall bear the same meaning in these By-laws, and unless the context indicates otherwise —

"**Council"** means the Council of the Ekurhuleni Metropolitan Municipality;

"**Credit Control and Debt Collection By-law and policy"** means the Credit Control and Debt Collection Policy as required in terms of section 96(b) and 97 and 98 of the Local Government: Municipal Systems Act, Act 32 of 2000;

**"Tariff"** means fees, charges or any other tariffs levied by the council in respect of any function or service provided by the Council, excluding rates levied by the council in terms of the Local Government Municipal: Property Rates Act; Act 6 of 2004;
**"Tariff policy"** means a tariff policy adopted by Council in terms of this By-law.

**1. Guiding principles in the determination of tariffs.**

In the determination of tariffs the Council shall be guided by the following principles –

i. Tariffs shall be equitable and affordable in that the amount due for municipal services should generally be in proportion to their use of that service;
ii. Tariffs shall support national macro-economic policies and shall incorporate visions, strategies and economic policies of the Republic of South Africa
iii. Tariffs shall be cost effective and cost reflective and should reflect the cost reasonably associated with rendering municipal services, including capital, operating, maintenance, administration, replacement costs and financing charges;
iv. Tariffs shall promote the sustainability of the provision of municipal services.

**2. Application of By-Law**

This by-law shall only apply to tariffs applicable to the Council and municipal entities in respect of which the municipality is the parent municipality for –

Fees, surcharges on fees, charges and tariffs in respect of municipal services, such as –

i. provision of water;
ii. refuse removal;
iii. sewerage;
iv. removal and purification of sewerage;
v. electricity consumption;
vi. municipal services provided through prepaid meters.
vii. all other related costs for services rendered in terms of the service
viii. interest which has accrued or will accrue in respect of money due and payable to the Council;
ix. collection charges in those cases where the Council is responsible for
   (aa) the rendering of municipal accounts in respect of any one or more of the municipal services;
   (bb) the recovery of amounts due and payable in respect thereof, irrespective whether the municipal services, or any of them, are provided by the Council itself or by a service utility with which it has concluded a service provider agreement to provide a service on the municipality's behalf.

**3. Adoption and implementation of Tariff Policy**

The council shall adopt and implement a tariff policy on the levying of fees for a municipal service provided by the council or by way of service delivery agreements which complies with the provisions of the Local Government: Municipal Systems Act, 32 of 2000, the Local Government Municipal Finance Management Act, 56 of 2003 and any other applicable legislation.

**4. Enforcement of Tariff Policy**

The Council's tariff policy shall be enforced through the Credit Control and Debt Collection By-Law and policy and any further enforcement mechanism stipulated in the Council's tariff policy.

**5. Short title and commencement**

This By-law is the Tariff By-law, and takes effect on 1 July 2011

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