

Item A-F (19-2021) CM 26/05/2021	2021/22 To 2023/24 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) AND 2021/22 REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP)
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Resolved:

4. That to guide the implementation of the municipality's annual budget, the Council of the City of Ekurhuleni **APPROVES** the reviewed policies and by-laws as set out in the following Annexures of this document:

Annexure D1	Medium-term Budget Statement Policy (reviewed)
Annexure D2	Pricing Policy Statement (reviewed)
Annexure D3	Property Rates Policy (reviewed)
Annexure D4	Provision of Free Basic Electricity Policy (reviewed)
Annexure D4.2	Provision of Free Services-Water and Waste Water
Annexure D5	Waste Management Tariff Policy (reviewed)
Annexure D6	Consumer Deposit Policy (reviewed)
Annexure D7	Indigent Support Policy (reviewed)
Annexure D8	Credit Control & Debt Collection Policy (reviewed)
Annexure D9	Provision for Doubtful Debtors and Debtors Write Off (reviewed)
Annexure D10	Budget Implementation and Monitoring Policy (reviewed)
Annexure D11	Municipal Entity Financial Support Policy (reviewed)
Annexure D12	Accounting Policy (reviewed)
Annexure D13	Electricity Metering for Residential and business Customers (reviewed)
Annexure D14	Policy for the Vending of pre-paid electricity (reviewed)
Annexure D15	Policy for Correction of Meter Reading and Billing Data (reviewed)
Annexure D16	Electricity Tariff policy (reviewed)
Annexure D17	Virement Policy (reviewed)
Annexure D18	Consumer Agreement Policy (reviewed)
Annexure D19	Supply Chain Management Policy (reviewed)
Annexure D20	Treasury Policy Consolidation of various polices (reviewed)
Annexure D21	Grants-in-Aid (reviewed)
Annexure D22	Assets Management Policy (reviewed)
Annexure D23	Cost Containment Policy (reviewed)
Annexure D24	Policy for the wheeling of Electricity (reviewed)
Annexure D25	Policy guideline for Small-scale Embedded generation (reviewed)
Annexure D26	Ekurhuleni Community Enterprise Development (reviewed)

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PROVISION OF FREE BASIC SERVICES - WATER AND WASTEWATER

1. APPLICATION AND SCOPE

This policy is applicable to approved and deemed indigents residing within the City of Ekurhuleni.

The policy will be effective from 1 July 2021.

2. OBJECTIVES OF THE POLICY

The objectives of the policy are -

- To realize everyone's constitutional right of access to sufficient water
- Affordable basic (free) portion of the water and wastewater services
- To support the poor, approved as Indigents in terms of the Council's relevant policy, with a basic (free) portion of the water and wastewater services
- To ensure compliance to the applicable terms of the Constitution of the Republic of South Africa, Act 108 of 1996, the Local Government Municipal Systems Act 32 of 2000 and the Municipal Budget and Reporting Regulations contained in General Notice 393 in Government Gazette 3241 of 17 April 2009.

3. LEGISLATIVE FRAMEWORKS

3.1 Constitution of the Republic of South Africa, Act 108 of 1996

Section 27 (1) (b) determines –

"Everyone has the right to have access to sufficient food and water"

3.2 Local Government Municipal Systems Act, 32 Of 2000

Section 74 (2) (c) of the Local Government Municipal Systems Act; 32 of 2000 determines:

- (c) *poor households must have access to at least basic services through –*
- (i) *Tariffs that cover only operating and maintenance cost,*
 - (ii) *Special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service: or*
 - (iii) *Any other direct or indirect method of subsidization of tariffs for poor households"*

3.3 New Municipal Budget and Reporting Regulations Effective From 1 July 2009: General Notice 393 in the Government Gazette 3241 of 17 April 2009

In terms of the above mentioned General Notice, new Municipal Budget and reporting regulations came into effect as from 1 July 2009. Section 7 of these regulations determines:

"The Municipal Manager of a Municipality must prepare, or take all reasonable steps to ensure the preparations of the budget-related policies of the Municipality, or any necessary amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the Municipal Council by the applicable deadline specified by the Mayor in terms of Section 21(1)(b) of the Act (Municipal Finance Management Act 56 of 2003)."

4. FREE BASIC SERVICES PRINCIPLES

4.1 The Right of Access to Basic Water and Waste Water (Sanitation):

Everyone has the right to have access to sufficient water and the CoE is committed to promote the realisation of this right. The CoE will therefore provide a basic (free) portion of the water and waste water services to poor households (registered and deemed indigent households).

4.2 Consumer Responsibilities

The right to basic water supply and waste water services comes with a corresponding responsibility to use water and waste water services responsibly and with due care. The responsibilities of the consumer are stipulated in the Water Supply and Wastewater By-Laws.

4.3 User Charges (Retail)

Charging for water and waste water services is essential in order to generate sufficient funds for operating, maintaining and investing in water and waste water systems but at the same time recognizing the need for affordability. Sound business principles within a sound subsidy framework are therefore essential. This includes good governance, sound accounting, adequate provision for depreciation, adequate spending on maintenance and replacement of assets, effective and efficient use of resources and income (including subsidies) which covers expenses.

5. APPLICATIONS AND IMPLEMENTATION

5.1 Six Kilo litre Free Per Month

The City of Ekurhuleni will provide 6 kilolitres free basic water and wastewater services per month for households with property value not exceeding R750 000 and to Registered Indigents qualifying in terms of the Councils approved Indigent Policy.

An additional 3 kl free basic consumption will be granted to all approved and registered indigent account holders subject to the stipulation of the Council's indigent policy. The basic (free) portion of the water and wastewater services is financed by means of the equitable share received from National Government and cross subsidized by means of a Council adopted block tariff. Payment is required for consumption in excess of the basic (free) water and wastewater supply service to ensure sustainability of the services.

6. DEVIATION FROM THE FREE BASIC WATER SUPPLY SERVICES POLICY

Any deviation from the free basic water supply services policy must be approved in writing by the Chief Financial Officer.

NOTE: The reference to "they" in the above sentences is a reference to the department concerned and its personnel

The term "shall" is used throughout this document to indicate those provisions which, are considered to be mandatory.

The term "should" is used to indicate those provisions which, although not mandatory, are provided as a recognized means of meeting the requirements.

The term "may" is used to indicate something which is permitted. The term

“can” is used to indicate a possibility or a capability.

