

A - F (32 – 2026) CM 23/06/2026	FINANCE DEPARTMENT: MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR 2026/27 TO 2028/29 AND THE AMENDMENT 2022/23 TO 2026/27 INTERGRATED DEVELOPMENT PLAN (IDP) (2026/27).
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9.10. That **Council APPROVE** the amended **Policies** and **By-Laws** as contained in **Annexure E** to guide the implementation of the municipality's annual budget.

POLICIES

Annexure E1	Medium – Term Budget Statement Policy (Reviewed).....
Annexure E2	Pricing Policy Statement (Reviewed).....
Annexure E3	Property Rates Policy (Reviewed).....
Annexure E4.1	Provision of Free Basic Electricity Policy (Reviewed).....
Annexure E4.2	Provision of free Basic Water supply services (Reviewed).....
Annexure E5	Waste Management Tariff Policy (Reviewed).....
Annexure E6	Consumer Deposit Policy (Reviewed).....
Annexure E7	Indigent Support Policy (Reviewed).....
Annexure E8	Credit Control & Debt Collection Policy (Reviewed).....
Annexure E9	Provision for Doubtful Debt and Debt Write-Off Policy (Reviewed)
Annexure E10	Budget Implementation and Monitoring Policy (Reviewed).....
Annexure E11	Municipal Entity Financial Support Policy (Reviewed).....
Annexure E12	Accounting Policy (Reviewed).....
Annexure E13	Electricity Metering for Residential and business Customers (Reviewed).....
Annexure E14	Policy for the vending of pre-paid electricity (Reviewed).....
Annexure E15	Policy for the Estimation and Correction of Energy or Demand Meter Reading and Billing Data (Reviewed).....
Annexure E16	Electricity Tariff Policy (Reviewed).....
Annexure E17	Virements Policy (Reviewed).....
Annexure E18	Consumer Agreement Policy (Reviewed).....
Annexure E19	Supply Chain Management Policy (Reviewed).....
Annexure E20	Treasury Policy (Reviewed).....
Annexure E21	Expanded Public Works Programme Policy (Reviewed).....
Annexure E22	Asset Management Policy (Reviewed).....
Annexure E23	Cost Containment Policy (Reviewed).....
Annexure E24	Policy for the wheeling of Electricity (Reviewed).....
Annexure E25	Policy for Embedded Generation Ekurhuleni (Reviewed).....
Annexure E26	Ekurhuleni Community Enterprise Development Fund Policy (Reviewed).....
Annexure E27	Long Term Financial Strategy 2020/21-2029/30 (Reviewed).....
Annexure E28	Ekurhuleni Public Employment Programme & Implementation Framework Policy (Reviewed).....
Annexure E29	CoE Inventory Management Policy (Reviewed)
Annexure E30	Unauthorised, Irregular and Fruitless and Wasteful Expenditure Policy (UIFW) (Reviewed).....
Annexure E31	Investment Support Package for Developers Policy (Reviewed).....

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PROVISION OF FREE BASIC SERVICES - WATER AND WASTEWATER

1. APPLICATION AND SCOPE

This policy is applicable to approved indigents residing within the City of Ekurhuleni.
The policy will be effective from 1 July 2026.

2. OBJECTIVES OF THE POLICY

The objectives of the policy are -

- To realize everyone's constitutional right of access to sufficient water by supporting indigent households, as approved in terms of the Council's relevant policy, with a basic (free) portion of water and wastewater services to meet their essential needs.
- 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.
- To ensure "the right of access to basic water supply and the right to basic sanitation necessary to secure sufficient water and an environment not harmful to human health or well-being;"

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 Water Services Act no 108 of 1997

The Section 3 of the Act states that;

"Everyone has a right of access to basic water supply and basic sanitation.

Section 4 of the Act further stipulates that "Every person who uses water services provided by a water services provider does so subject to any duplicable condition set by that water services provider"

National Norms & Standards for domestic Water and Sanitation Services

- The Compulsory National Water and Sanitation Norms and standards prescribe the minimum standards for the provision of Water and Sanitation services to all households registered as indigents.
- These standards define the basic water supply as the prescribed minimum standard of water supply services necessary for the reliable supply of a sufficient quantity and quality of water to households, to support life and personal hygiene. This is prescribed to be 25liters of portable water per person per day (or 6kl of portable water per household per month.
- This water is provided at no cost to indigent households, however upon depletion of the initial 6kl per month allocation, qualifying indigent household will be subject to usage restrictions and will be responsible for payment based on the adopted tariff policy for any additional water consumed

3.3 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”

3.4 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 abovementioned 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).”

3.5 Local Government Water services Act 108 of 1997

Every water services institution must take reasonable measures to ensure *“Everyone has a right of access to basic water supply and basic sanitation”* in terms of the Water services Act 108 of 1997.

4. FREE BASIC WATER SERVICES PRINCIPLES

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

Everyone has the right to have access to sufficient water and the CoE is committed to promote the realization of this right. The CoE seeks to provide a basic (free) portion of the water and sanitation services to all its citizens including poor households (registered indigent households – Approved and Deemed Indigents) who cannot afford to pay for basic services.

Free basic water services is intended to support poor households who cannot afford to pay for services and therefore not intended for use for business and/commercial purposes

This Free basic Water Supply is provided in line with the City’s Water Services By-law, and as set out in the Compulsory National Water Services Norms and Standards.

4.2 Consumer Responsibilities

The right to basic water supply and sanitation 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 Services By-Laws.

Consumers are required to abide by the City’s Water Conservation and Demand management guidelines as provided in the City Water Service By-laws

4.3 User Charges (Retail)

Charging for water and sanitation services is essential in order to generate sufficient funds for operating, maintaining and investing in water and wastewater 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 Kilolitre Free Per Month

In terms of the National Policy, a minimum quantity of drinking water of 6 kl/household per month should be provided at no cost to households registered as Indigents (Approved and deemed) in terms of Council Approved Indigent Support Policy, as from effective date of this policy.

Registered Approved indigents will received an additional **4 Kilolitre** of free water and wastewater services per month – **Total 10 Kilolitre** free per month, as from effective date of this policy.

The basic (free) portion of the water and sanitation services is financed by means of the equitable share received from National Government and Council's own revenue sources.

The City shall have the right to recover from the consumer and/or other involved persons the full estimated amounts of the water supply consumed above the stated 6kl/month.

All consumers are encouraged to use water sparingly and to report any leaks/water losses/illegal connections to the City as required to ensure sustainable water services.

Council encourages all residents and households to make payments for services consumed or provided by council to ensure sustainability provision of basic services.

All indigents' households using free basic water for purposes other than domestic use mainly; business/ commercial use will regarded as in violation of this policy and may be prosecuted in line with the City's Water Services By-laws

The City has the right to request documents to verify and confirm the particulars of an indigent household as per the requirements of the City's Indigent policy

Where the City has found false documentation used to register as an indigent, it has the right to remove such households from the registered indigents list.

The City has a right to prosecute all households found to be in violation of this policy in line with the City's Water Service Bylaws.

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.

