



**2024/25 Medium Term Revenue and Expenditure  
Framework (MTREF) Policy Review**

**DRAFT INDIGENT POLICY**

**MARCH 2024**

# **SEKHUKHUNE DISTRICT MUNICIPALITY**

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## **INDIGENT POLICY**

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# **SEKHUKHUNE DISTRICT MUNICIPALITY**

## **INDIGENT POLICY**

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### **PART 1 OBJECTIVE**

1.1 Because of the level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for normal municipal services. The municipality therefore adopts this indigency management policy to ensure that these households have access to at least basic municipal services, and is guided in the formulation of this policy by the national government's policy in this regard

### **PART 2 CRITERIA AND PROCESS FOR IDENTIFYING INDIGENTS**

#### **2.1. CRITERIA FOR IDENTIFICATION AS INDIGENT**

- 2.1.1 Households whose verified gross joint monthly income of all occupants living on the same premises on full time basis over 18 years of age does not exceed the pension grant as determined by the government.
- 2.1.2 The threshold for qualifying as an indigent in a single household where more than two occupants receive old age pension grant shall be the twice the monthly old age pension grant determined by the government.
- 2.1.3 any occupant or resident of the single household referred to above does not own any property in addition to the property in respect of which indigent support is provided.
- 2.1.4 the account of a deceased estate, may be subsidised if the surviving spouse or dependants of the deceased, who occupy the property, also apply and qualify for indigent support
- 2.1.5 For a household to qualify for subsidies or rebates on the major service charges (see part 3 below), the registered indigent must be the full-time occupant of the property concerned, and if not also the owner of the property concerned, may not own any other property, whether in or out of the municipal area.
- 2.1.6 Child welfare grants are exempted as part of total income per household, as the child is under 18 years of age

#### **2.2. REGISTRATION AS INDIGENT**

2.2.1 To register as an indigent, the relevant property owner or account holder must personally complete and sign the registration form provided by the municipality for this purpose, and furnish the following documentation:

- a. A copy of the applicant's identity document
- b. The latest municipal account;
- c. Documentary proof of income or an affidavit declaring the state of unemployment and / or proof of registration as unemployed;
- d. Three months' bank statements (where applicable)
- e. Particulars of any other grants received by the account holder;
- f. Proof of ownership of business or second properties;

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g. Eskom and Local municipalities indigent registers will be used to source applications however, the threshold of SDM will still apply.

### **2.3 INDIGENT COMMITTEE:**

- 2.3.1. The municipality shall establish the indigent committee which must include designated officials from Revenue section; ISD section; Planning section and designated councilor from budget & treasury portfolio committee
- 2.3.2. The Indigent Committee must consider each application; assess it in terms of the application.
- 2.3.3. The Indigent Committee should monitor, in conjunction with ward councilors, ward committees and other persons or organisations it may appoint, the implementation of the indigent support programme, subject to the policy directions of the municipality and in consultation with the municipal manager;

### **PART 3 APPLICATION OF THE POLICY**

- 3.1 The subsidies on the specified service charges will be determined as part of each annual budget and in terms of the munic
- 3.2 In respect of water, a 100% subsidy up to 6 kl per household per month including basic charge will apply; however, if consumption exceeds 6 kl per metering period (month) the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 6 kl plus basic charge.
- 3.3 In respect of sewerage charges, the relief granted shall not be less than a rebate of 50% on the monthly amount billed for the service concerned.
- 3.4 Conduct verification of indigents through a vetting process using an ID number for results and determination of the indigent listing.

### **PART 4 NON-COMPLIANCE OF HOUSEHOLDS REGISTERED AS INDIGENT**

- 4.1 Where an indigent household falls into areas, the accountholder must enter into a payment arrangement as per credit control and debt collection policy
- 4.2 If these arrangements are not made, no subsidies will be paid or free services provided, and services may be terminated i control and debt collection policy.
- 4.3 Indigent households that do not pay their accounts will have their subsidies withdrawn and be subject to the credit control policy.
- 4.4 The relief to indigents may be withdrawn at the discretion of the municipal manager if:
  - a. a registered indigent who qualifies for such relief fails to keep to the terms of the policy agreement; or
  - b. any tampering with the installations of the municipality is detected.

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4.5 If a registered indigent is found to have provided fraudulent information to the municipality in regard to any material condition for registration as an indigent, such person shall immediately be removed from the register of indigents, and shall be liable to repay to the municipality with immediate effect all indigency relief received from the date of such fraudulent registration. Moreover, such person may not again be considered for indigency relief for a period extending for 5 (five) years beyond the financial year in which the misdemeanour is detected.

### **PART 5 REPORTING REQUIREMENTS**

5.1 The municipal manager shall report on a monthly basis to the executive mayor and mayoral committee, as the case may be, for the month concerned and by municipal ward:

- a. the number of households registered as indigents and a brief explanation of any movements in such numbers;
- b. the monetary value of the actual subsidies and rebates granted;
- c. the budgeted value of the subsidies and rebates concerned; and
- d. the above information cumulatively for the financial year to date.

5.2 The mayoral committee, as the case may be, shall submit the above reports on a quarterly basis to the council and to or monthly frequently to any ward committees if so requested.

### **PART 6 RIGHT TO APPEAL**

6.1 An applicant who feels aggrieved by a decision taken in respect of his or her application may lodge an appeal with the Municipal Manager of the municipality within 10 (ten) days from the date on which the decision was communicated to the applicant.

6.2 The municipal manager will provide assistance to persons who cannot read or write, at such times and places as are specified in the notices published to indicate that the registration programme is to take place.

### **PART 7 REVIEW OF INDIGENCY STATUS**

7.1 Indigency relief shall apply for a period not extending beyond the financial year in which the particular household is registered as indigent. Registration must be renewed in each registration programme if relief is to continue.

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**CERTIFICATE OF ENDORSEMENT:**

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, approved by council and been signed by the Speaker. Unless in the event where any changes in any applicable Act, Legislation has jurisdiction to supersede.

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**For and on behalf of Municipality**

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**Date**