

INDIGENT SUPPORT POLICY
(Draft Budget Policy 2025/2026)



DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Indigent” This is a household which, due to a number of factors as set out in par. 4, is not financially capable of paying for the delivery of Basic Services – including poor households.

“Household” This includes all persons who are jointly living on a stand or site on a permanent basis and who receive water and/or electricity and/or other services from the Municipality

“authorised representative” the person or instance legally appointed by the Council to act or to fulfil a duty on its behalf

“basic service” The amount or level of any municipal service that is necessary to ensure human dignity and a reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this Policy are restricted to electricity, refuse, sewerage and water services. It is also to be understood that the national norms will be used as guidelines for the determination of the amount/level of the services;

“Chief Financial Officer” An officer of the Municipality appointed as the Head of the Finance Department and includes any person:- a) acting in such position; and

b) to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty;

“Child Headed Household” This is a household where no adults are living and where the household is headed by a school-going child;

“Council” or “municipal council” A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Thembelihle;

“customer” Any occupier of any property to which the has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property; **“defaulter”** A person who owes money to the municipality in respect of a municipal account after the due date for payment has expired;

“interest” A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as determined by the Municipality.

“Municipality” The institution that is responsible for the collection of funds and the provision of services to the customers of Thembelihle;

“municipal account” or “billing” The proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of

the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to

“the Act” The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended from time to time

Household Income : **means the gross sum of all monthly income from all sources including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by all persons residing on the property.**

“Occupier” means any person who occupies any property or part thereof, without taking cognizance of the title in which he or she occupies the property.

“Owner” means:

(a) The person in whose name the property is legally vested;

(b) In the case where the person in whose name the property is vested, is insolvent or deceased, or is disqualified in terms of any legal action, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, or any other legal representative;

(c) In the case where Council are unable to establish the identity of such person, the person who are entitled to derive benefit from the property or any buildings thereon.

“Tenant” a person who occupies land or property rented from a landlord

OBJECTIVES OF POLICY

2.1 The objectives of this Policy are to:-

2.1.1 Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;

2.1.2 Determine the criteria for qualification of indigent and poor households;

2.1.3 Ensure that the criteria are applied correctly and fairly to all applicants;

2.1.4 Allow the Municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household ;

2.1.5 Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

PRINCIPLES OF POLICY

- 3.1 The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for making of policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;
- 3.2 All applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy;
- 3.3 Application forms, agreements and documents relating to this Policy must be available in Afrikaans and English. Officials designated to control and manage these documents must be able to explain the contents thereof in the three languages of the Northern Cape;
- 3.4 The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.

CRITERIA FOR INDIGENT HOUSEHOLDS

- 4.1 To qualify as an indigent household, a household must comply with the following criteria:-
- 4.1.1 A household which has a verified total household gross monthly income of less than **R5900.00 per** month (when the household income is calculated, any children grant received must be excluded when calculating the household income). A Child Headed household (i.e. a household where no income-earning adult is staying and where the household is headed by a school-going child) will automatically qualify for the subsidies provided for in this policy.
- 4.1.2 A Family who does not have funeral policy for deceased are eligible to qualify a burial cost for the value of up to R3,500.00 from an undertaker in the town of burial in Thembelihle. No family or individual is exempted from paying for the grave.
- 4.1.3 Must be a permanent resident of Thembelihle. Owners and tenants can apply for indigent subsidy
- 4.1.4 Must be a South African citizen.

4.1.5 Indigent households will be required to change from credit metering for electricity consumption to a pre-paid metering system which conversion costs will be funded from the equitable share, subject to the availability of funds.

4.1.6 The municipality will not grant indigent support to any applicant who:

- Owns more than one property whether inside or outside the municipal area;
- Is letting, renting out or leasing his/her property to someone and derives an income from the renting letting or leasing.

4.1.7 Must agree that the supply of water to the particular premises can be restricted by means of a flow control washer, or any other means as the Council may determine from time to time.

SUBSIDY

The subsidies below will be funded from the “equitable share” contribution received from National Treasury. The subsidies will only be granted to qualifying households to the extent that the abovementioned funds are available for allocation. The subsidy amount allocated will be calculated and rounded off to the nearest lower R1, and will be paid into the consumer’s municipal account every month and be indicated as such on the account.

5.1 Indigent households will receive the following per month as qualified above: A subsidy of:

- 100% of the basic levy for electricity/pre-paid for one service point per month;
- 75% of deposit payable for an electricity connection when a new account is opened or when an account is transferred to a new client;
- 100% of the basic levy for water per month;
- 75% of deposit payable for a water connection when a new account is opened or when an account is transferred to a new client;
- 100% of basic levy for refuse removal per month;
- 100% of basic levy for sewerage per month;
- In respect of water usage, a 100% subsidy up to 6 kl per household per month 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.

- In respect of electricity usage, a 100% subsidy up to 50 kWh per household per month will apply; however, if consumption exceeds 50 kWh per metering period (month), the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 50 kWh.

5.2 Indigent households who are living on un-serviced erven will receive the following per month as qualified above:

A subsidy to the same value of 50 kWh electricity consisting of paraffin, matches and candles.

5.3 In the event that the indigent support per month does not cover the full monthly billed service account, the applicant shall be liable to pay the excess, failing which the subsidy will be discontinued and services will be cut and or restricted.

APPLICATION FOR A SUBSIDY

6.1 The account holder must apply in person at a customer care office of the Municipality on the prescribed application form.

6.2 The following items must accompany the application:-

6.2.1 The latest municipal account of the household;

6.2.2 Proof of the account holder's identity;

6.2.3 Proof of income of the account holder (e.g. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card, or a certificate to confirm registration as a job-seeker);

6.2.4 Proof of medical condition when requiring additional water and electricity.

Should the account holder be unable to apply in person, due to medical reasons, his/her application may be certified by a commissioner of oaths, preacher/pastor of church or a community worker. The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

6.2.5 The applicant must fill out and sign an application form and provide the information required on the form.

5.2.6 All recipients of indigent support shall be required to re-apply for subsidy once a year. Such applications shall reach the Chief Financial Officer at least six months before the beginning of a financial year;

6.2.7 All applications for indigent support shall be screened by the respective Ward Councillor or Proportional Representative Councillor or the Mayor for any irregularities and shall sign all applications having passed the criteria.

6.2.8 A Councillor may not approve any applications, but make a recommendation to the Accounting Officer for approval for indigent support.

6.2.9 A family who seeks assistance with a coffin for a deceased who does not have a funeral policy, are required to do the following:

a) Submit a completed application signed by the Ward Councillor

b) An affidavit stated that the family or individual has no funeral policy

c) Copies of death Certificate and ID copies of both the applicant and the deceased

PUBLICATION OF NAMES OF QUALIFYING APPLICANTS

The applicant must grant permission for the Municipality to publish his/her name and address on a list of account holders receiving subsidies in terms of this policy. Any person may inspect or scrutinize the list at a Customer Care Office and inform/notify the Municipality of any person who, according to their true circumstances, should not be in receipt of a subsidy as envisaged in this policy.

FALSE INFORMATION

8.1 An applicant for indigent support will be required to submit a sworn affidavit certifying that the information supplied is true and correct.

8.2 A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition, he/she will be held liable for the immediate re-payment of any subsidies already granted and legal action, civil or criminal may be instituted against the guilty party(-ies).

LOCAL AUDIT (VERIFICATION)

- 9.1 The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s). Such audit will be conducted on a continuous basis.
- 9.2 Failure by a beneficiary of indigent support to allow officials of the municipality access to the premises and information will result in the disqualification of the beneficiary from indigent support.

DURATION OF SUBSIDY

- 10.1 Indigent support will be granted on a monthly basis, **except** where the beneficiary's circumstances have changed to the extent that he/she no longer qualifies or when the budgeted amount has been depleted.
- 10.2 If the municipality obtains information that indicates that the circumstances of the applicant have changed to such an extent that he/she no longer qualifies for the subsidy, the Municipality reserves the right to suspend the subsidy. If any of the criteria, as set out in this policy, is not complied with any more, there is an onus on the recipient of the subsidy to notify the Municipality within **seven (7) days** after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.

CURRENT AMOUNTS IN ARREARS

- 11.1 Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will have to make arrangements with the Municipality for paying off the amounts in arrears.
- 11.2 Assistance may be considered for arrears for indigent households subject to the availability of funds.

REGISTER

The Municipality will complete a register of households that qualify as “indigent”. The register will be continually updated and reconciled with the relevant subsidy account in the general ledger on a monthly basis.

. REPORTING REQUIREMENTS

The municipal manager or his nominee shall report on a quarterly

basis to the council for the quarter 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 allocated per service category of the actual subsidies.
- c) The budgeted value allocated per service category.

11.2 The Finance Directorate or the responsible official shall keep and monitor a complete register of registered indigent household:

- a) The number of registered child headed families.
- b) Performance of all areas against targets as set out in the municipality’s performance management system.

VERSION CONTROL

Version 1

Date

Summary: This document describes the Indigent Policy that will be applicable to Thembelihle Municipality starting 1 July 2025 and will be revised annually. For further information on the policy the Chief Financial officer can be contacted at 053 20 30 005/8

Approval

SIGNATURE ACCOUNTING OFFICER:.....

DATE:.....

SIGNATURE: (MAYOR).....

DATE:.....

COUNCIL RESOLUTION NUMBER:.....

DATE:.....