

SOL PLAATJE LOCAL MUNICIPALITY

FREE BASIC SERVICES POLICY



APPROVED ON THE 31ST OF MAY 2017

RESOLUTION NUMBER: C60/05/17



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1. OBJECTIVE

- 1.1. Section 27 of the South African Constitution provides that: *“Everyone has the right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social assistance. The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of each of these rights”*.
- 1.2. Sol Plaatje Municipality recognises its Constitutional obligation to give priority to the basic needs of its community, to promote the social and economic development of the community and to ensure that all residents and communities in the municipality have access at least to a basic level of municipal services.
- 1.3. The Constitution entitles the municipality to an equitable share of nationally raised revenue, which will enable it to provide basic levels of essential services to the community and Sol Plaatje Municipality commits its equitable share to the provision of basic services.
- 1.4. Due to the high level of unemployment and consequent poverty in the municipality, there are households which are unable to pay the normal tariffs for municipal services. The municipality accordingly adopts this Free Basic Policy to ensure that these households have access to at least basic municipal services.

2. SCOPE OF THE POLICY

This Policy should be read with the Sol Plaatje Municipally Indigent Management Policy.

Sol Plaatje Municipality adopts this policy to provide:

- 2.1 A framework for free basic services;



- 2.2 Procedures and guidelines for the determination of free basic services using the municipality's budgetary allocation, supported by the equitable share;

3. FAIR ADMINISTRATIVE ACTION

- 3.1 The Constitution entitles everyone to administrative action which is lawful, reasonable and procedurally fair and to be given reasons for any such action which affects them.
- 3.2 The Promotion of Administrative Justice Act 3 of 2000 is the legislation required by the Constitution to give effect to the right to just administrative action and in order to promote an efficient administration and good governance and to create a culture of accountability, openness and transparency in public administration or in the exercise of a public power or the performance of a public function.
- 3.3 This policy incorporates the above principles by providing parameters and procedures to guide the municipality and its officers in implementing it, and thereby exercising a public power through a series of administrative actions. In so doing, this policy seeks to provide certainty on the part of those affected by it with regard to how the municipality will act in the circumstances covered by the policy and uniformity of action on the part of its officers.
- 3.4 The municipality commits itself and its officers to act fairly and justly in an open and transparent manner in implementing this policy.



4. FREE BASIC SERVICES SUBSIDISED

4.1 The municipality will provide free of charge, a basic level of each of the following services by subsidising the tariffs applicable thereto in terms of this policy:

- i. **Free Basic Water;** - consists of at least a basic amount of 6 kl (6 000 l) of water per month per household.
- ii. **Free Basic Electricity;**- consist of of 50kWh per household per month.
- iii. **Free Basic Refuse removal;**- 100% subsidy on collection of refuse at least once per week or a bulk refuse container placed within an area
- iv. **Free Basic Sanitation;** 100% subsidy on sewerage services as defined in the tariff policy

4.2 Where the Municipality charges a single service or flat tariff and where all or some of the services listed below are rendered, the municipality will subsidise the services rendered using equitable share, the tariff so charged in line with the annual tariffs as per the approved budget. The quantum for metered serves shall be in accordance with the Municipality's Tariff Policy;

- i. Water – stand pipe in the dwelling or stand pipe located within a 200m radius
- ii. Refuse collection – door to door collection of bags of refuse at least once a week or a bulk refuse container placed within an area
- iii. Sanitation – waterborne sanitation system, bucket system or ablution facility installed within the area
- iv. Electricity – install a prepayment service meter



5. SUBSIDIES MAKING UP FREE BASIC SERVICES RELIEF

Free Basic Services relief to qualifying households shall consist of a package of subsidies on the tariffs applicable to the services set out in this policy as follows:

- 5.1 In respect of the supply of water, Sol Plaatje Municipality shall from time to time determine the quantity of water constituting a basic supply and the amount of the subsidy in respect of the tariff payable for water. The determination by Sol Plaatje Municipality shall be made in conjunction with the approval of its budget and shall be contained in the budget resolutions dealing with tariffs and as otherwise provided for in its Tariff Policy.
- 5.2 In respect of the supply of electricity, Sol Plaatje Municipality shall from time to time determine the quantity of electricity constituting a basic supply and the amount of the subsidy in respect of the tariff payable for electricity. The determination by Sol Plaatje Municipality shall be made in conjunction with the approval of its budget and shall be contained in the budget resolutions dealing with tariffs and as otherwise provided for in its Tariff Policy.
- 5.3 With regard to the provision of the sewerage and refuse removal services, the amount of the subsidy in respect of the tariffs payable for these services shall be determined by Sol Plaatje Municipality in conjunction with the approval of its budget and shall be contained in the budget resolutions dealing with tariffs and as otherwise provided for in its Tariff Policy.
- 5.4 With regard to households with flat rate billing, the total of the flat rate determined by Sol Plaatje Municipality in conjunction with the approval of its budget and shall be contained in the budget resolutions dealing with tariffs and as otherwise provided for in its Tariff Policy.



6. ISSUING OF FREE BASIC ELECTRICITY

- 6.1 Qualifying households who have a prepaid electricity meter installed at their properties shall receive 50kWh of electricity per month. Free electricity units shall be issued on presentation of the prepaid electricity account number at any municipal service point or electricity sales points across the city once per month.
- 6.2 Unclaimed units of electricity may be claimed within 15 days from the date of end of prior period. Illustrated by example, free basic electricity units for the month of July must be claimed in July or at the latest by the 15th of the next month, being August.

7. FREE BASIC SERVICES ACCOUNTS MONITORING

Where a beneficiary (accountholder) of FBS in terms of this, and the Indigent Management Policy, consumes more than the free basic services quantum, the said beneficiary will be billed for such excess per the respective and corresponding tariffs and is liable for such amounts in accordance with such billing.

8. IMPLEMENTATION AND REPORTING

- 8.1 The Municipal Manager is responsible and accountable for the implementation of this policy. Sol Plaatje Municipality delegates to the Municipal Manager all the necessary power and authority to effect such implementation, subject to the provisions of this policy.
- 8.2 The Municipal Manager shall submit a monthly report to the Executive Mayor on the implementation of this policy, containing at least the following information:



- i. the number of households receiving free basic services and a brief explanation of any variation in that number since the prior report;
- ii. the monetary value of subsidies and rebates constituting free basic support for the reporting period and cumulatively for the financial year to date;
- iii. the amount budgeted for the provision of free basic support and the balance available.

8.3 The Executive Mayor shall in turn report on the above matters to Sol Plaatje Municipality on a quarterly basis.

9. REVIEW OF THIS POLICY

This policy shall be reviewed annually in conjunction with the municipality's budget process.

10. IMPLEMENTATION DATE

This Policy becomes effective and wholly enforceable from the 1st of July 2017.