



THE MSUNDUZI MUNICIPALITY

TARIFF POLICY BYLAWS

The Municipal Manager of the Msunduzi Municipality hereby, in terms of section 13(a) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), publishes the Tariff Policy Bylaws for the Msunduzi Municipality, as adopted by its Council, as set out hereunder.

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1. PREAMBLE

1.1. In terms of section 74(1) of the Local Government: Municipal Systems Act 2000 (Act No 32 of 2000) ("the Act"), a municipality may levy fees for municipal services provided by itself or by way of service delivery agreements.

1.2. In terms of section 74(1) of the Act and for the purposes stated in that section, a municipality must adopt, and implement a tariff policy which complies with the provisions of the Act, the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and any other applicable legislation.

1.3. In terms of section 74(3) of the Act, a tariff policy may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination.

1.4. In terms of sections 75(1) and (2) of the Act, a municipal council must adopt bylaws to give effect to the implementation and enforcement of its tariff policy and such bylaws may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination.

2. DEFINITIONS

2.1. In these bylaws, unless the context indicates otherwise -

"Act" means the Local Government: Municipal: Systems Act 2000 (Act No 32 of 2000);

"Council" means the council of the Msunduzi Municipality;

"Credit Control and Debt Collection policy" means the Credit Control and Debt Collection Policy as required in terms of section 96(b) and 97 and 98 of the Local Government: Municipal Systems Act, (Act 32 No. of 2000);

"MEC for local government and traditional affairs" means the MEC responsible for local government in KwaZulu-Natal;

"Municipality" means the Msunduzi Municipality, a municipality as envisaged in terms of section 155(1) of the Constitution and established in terms of PN343 of 2000 (KZN);

"Municipal Manager" means a person appointed in terms of section 54A of the Municipal Systems Act as the head of administration of the municipal council;

"Tariff" means fees and charges levied by the municipality in respect of any function or service provided by the municipality to the local community, and includes a surcharge on such tariff but excludes the levying of rates by the Municipality in terms of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

"Tariff policy" means the Tariff Policy adopted by the Council in terms of section 74(1) of the Act.

3. APPLICATION OF BY-LAW

This by-law gives effect to the provisions of the tariff policy of the municipality and shall apply to tariffs applicable to the municipality in accordance with the provisions outlined in the policy for fees, surcharges on fees, charges and tariffs in respect of the following municipal services –

- a. provision of water;
- b. refuse removal;
- c. sewerage;
- d. removal and purification of sewerage;
- e. electricity consumption;
- f. Municipal services provided through prepaid meters;
- g. all related costs rendered in terms of any other municipal service;
- h. interest which has accrued or will accrue in respect of money due and payable to the Council;
- i. collection charges in those cases where the Council is responsible for:

(i) the rendering of municipal accounts in respect of any one or more of the municipal services;

(ii) the recovery of amounts due and payable in respect thereof, irrespective whether the municipal services, or any of them, are provided by the Council itself or by a service utility with which it has concluded a service level agreement to provide a service on the municipality's behalf.

4. Adoption and implementation of Tariff policy

3. (1) The Council shall, by resolution, adopt, and implement a tariff policy on the levying of fees for municipal services provided by the Municipality itself or by way of service delivery agreements.

(2) The policy shall take effect from the date of publication of these bylaws.

4. The Municipality shall not levy any fees other than in accordance with the provisions of its valid and adopted Tariff Policy.

5. Contents of policy

5. (1) The Council's Tariff Policy shall ensure that -

- (a) users of municipal services should be treated equitably in the application of tariffs;
- (b) the amount individual users pay for services should generally be in proportion to their use of that service;
- (c) poor households shall have access to at least basic services through -

(i) tariffs that cover only operating and maintenance costs;

(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;

(d) tariffs shall reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;

(e) tariffs shall be set at levels that facilitate the financial sustainability of the service, taking into account subsidization from sources other than the service concerned;

(f) that provision may be made in appropriate circumstances for a surcharge on the tariff for a service;

(g) provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;

(h) the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives shall be encouraged;

(i) the extent of subsidization of tariffs for poor households and other categories of users shall be fully disclosed.

(2) The Tariff Policy may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination.

6. General power to levy and recover fees, charges and tariffs

6. (1) The Municipality may -

(a) levy and recover fees, charges or tariffs in respect of any function or service of the Municipality; and

(b) recover collection charges and interest on any outstanding amount.

(2) The fees, charges and tariffs referred to in paragraph (a) shall be levied by resolution passed by the Council with a supporting vote of a majority of its members.

(3) After the resolution contemplated by subsection (2) has been passed, the Municipal Manager shall, without delay -

(a) conspicuously display a copy of the resolution for a period of at least 30 days at such places within the Municipality to which the public has access as the Municipal Manager may determine;

(b) publish in a newspaper of general circulation in the Municipality a notice stating -

(i) that a resolution as contemplated in subsection (2) has been passed by the Council;

(ii) that a copy of the resolution is available for public inspection during office hours at places specified in such notice; and

(iii) the date on which the determination shall come into operation; and

(c) seek to convey the information referred to in paragraph (b) to the local community by appropriate means of communication, including, where possible, radio broadcasts.

(4) The Municipal Manager shall forthwith send a copy of the notice referred to in subsection (3)(b) to the MEC for Cooperative Governance and Traditional Affairs.

7. Enforcement of Tariff Policy

(1) The municipality's tariff policy shall be enforced through-its Credit Control and Debt Collection By-law and;

(2) any other enforcement mechanism stipulated in the Tariff Policy.

8. Date of commencement of bylaws

These bylaws shall come into operation on the date of publication in the Provincial Gazette.

9. Repeal

The Tariff bylaws published under Notice No. 54 of 1 July 2010 are hereby repealed.