



ILEMBE DISTRICT MUNICIPALITY

("The Municipality")

2023-2024

DRAFT TARRIF POLICY

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1. DEFINITIONS

“Basic municipal services” mean a Municipal service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety or the environment.

“Council” refers to the ILembe District Municipality and its successors in law and includes the Council of that Municipality or its Executive Committee or any other body acting by virtue of any power delegated to it in terms of legislation, as well as any official to whom the Executive Committee has delegated any powers and duties with regard to this policy.

“Indigent” means any household which is responsible for the payment of services and rates, earning less than R 4 000 total gross income who qualifies according to the indigent policy, for rebates/remissions or a services subsidy. Examples hereof include pensioners, the unemployed and child-headed families who are unable to fully meet their obligations for Municipal services consumed on their monthly accounts.

“Municipal area” means the area in respect of which the ILembe District Municipality has executive and legislative authority as determined by the constitution and the National legislation and demarcated in terms of the Demarcation Act (Act 27 of 1998).

“Indigent Households” A family unit consisting of a head of the family, blood relatives, adopted children and any other persons living on the same plot.

“Tariff policy” means a policy on, the levying of fees, rates for the Municipal services provided by the Municipality itself, which complies with the Municipal Systems Act, 2000.

2. GENERAL INTRODUCTION AND OBJECTIVE

- 2.1 A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for Municipal services provided by the Municipality itself or by way of service delivery agreements.
- 2.2 The tariffs policy has been compiled taking into account, where applicable, the guidelines set out in Section 74 of Municipal Systems Act, 2000 (Act No. 32 of 2000).
- 2.3 In setting its annual tariffs the Council shall at all times take due cognizance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development. Tariff must be cost reflective.
- 2.4 The tariffs policy has been compiled to ensure that Municipal services are financially sustainable, affordable and equitable
- 2.5 And that there is consistency in how tariffs are applied throughout the Municipality

3. GENERAL PRINCIPLES

- 3.1 Service tariffs imposed by the Municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the ability to pay of the relevant consumer or user of the services to which such tariffs relate, shall not be considered as a relevant criterion (except in the case of the indigent relief measures approved by the Municipality from time to time).

However when setting the tariffs the Council shall consider the impact, which the proposed increases in service charges will have on the monthly Municipal accounts of households in the Municipal area. The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts. Because households have no mechanism for passing on such increases to other parties, but must fully absorb the increases concerned, the Council shall ensure that the additional impact of such increases is in keeping with the relevant increase in the consumer price index.

- 3.2 The Municipality shall ensure that its tariffs are uniformly and fairly applied throughout the Municipal region bearing in mind compliance with Treasury regulations.
- 3.3 Tariffs for the major services rendered by the Municipality, namely, the supply of water and disposal of sewerage, shall as far as possible be directly related to the standard of service received and the quantity of the service used or consumed by a particular consumer.
- 3.4 The Municipality shall develop, approve and at least annually review an indigent support programme for the Municipal area. This programme shall set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the Municipal region. This paragraph is only to be implemented once an indigent support policy has been adopted by Council.
- 3.5 In line with the principles embodied in the Constitution and in other legislation pertaining to Local Government, the Municipality may differentiate between different categories of users and consumers in regard to the tariffs which it levies. Such differentiation shall, however, at all times be reasonable, and shall be fully disclosed in each annual budget.
- 3.6 The Municipality's tariff policy shall be transparent, and the extent to which there is cross-subsidization between categories of consumers or users shall be evident to all consumers or users of the service in question.
- 3.7 The Municipality further undertakes to ensure that its tariffs shall be easily explainable and understood by all consumers and users affected by the tariff policy concerned.
- 3.8 The Municipality also undertakes to render its services cost effectively in order to ensure the most economical cost of service delivery.

- 3.9 In the case of directly measurable services, namely, water, the consumption of such services shall be properly metered by the Municipality, and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. The charges levied on consumers shall be proportionate to the quantity of the service which they consume.
- 3.10 In addition, the Municipality shall levy monthly availability charges for the services concerned, and these charges shall be fixed for each type of property as determined in accordance with the detailed policies set out below. Generally, consumers of water shall therefore pay two charges: one which is unrelated to the volume of consumption and is levied because of the availability of the service concerned; and another directly related to the consumption of the service in question. In the event of a prepaid metering system, there shall be no fixed charge (basic charge) billed.
- 3.11 In adopting what is fundamentally a two-part tariff structure, namely a fixed availability charge coupled with a charge based on consumption, the Municipality believes that it is properly attending to the demands which both future expansion and variable demand cycles and other fluctuations will make on service delivery.
- 3.12 In considering the costing of its water and sanitation services, the Municipality shall take due cognizance of the high capital cost of establishing and expanding such services, and of the resultant high fixed costs, as opposed to variable costs of operating these services. The Municipality therefore undertakes to plan the management and expansion of the services carefully in order to ensure that both current and reasonably expected future demands are adequately catered for, and that demand levels which fluctuate significantly over shorter periods are also met. This may mean that the services operate at less than full capacity at various periods, and the costs of such surplus capacity must also be covered in the tariffs which are levied annually.
- 3.13 Where at all possible all tariffs relating to the Municipality and the Water Services Authority area will be standardised.

4. CATEGORIES OF CONSUMERS

4.1 Separate tariff structure may be imposed for the following categories of consumers:

- a) Domestic consumers
- b) Business consumers
 - i) Commercial consumers
 - ii) Industrial consumers
 - iii) Agricultural consumers
- c) Consumers with whom special agreements were made
- d) Consumers in certain geographical areas
- e) Educational institution
- f) Welfare organisations
- g) Vulnerable groups

4.2 All of the above tariffs for all categories need to be calculated using a cost reflective approach so that the municipality does not under recover in services they render.

5. NEED FOR A TARRIFF POLICY

5.1 The Municipality must have access to adequate sources of revenue to enable it to carry out its functions. The Municipality must fully utilize the available sources of revenue to meet its development objective.

5.2 Financial sustainability requires that the Municipality must ensure that its budget balances, services are provided at affordable levels and it is able to recover the cost of services delivery.

5.3 Effective and efficient usage of resources, this means that Municipality must use the resources in the best possible ways to reap the maximum benefits for the community.

- 5.4 Budget and Financial affairs of the Municipality must be open to public scrutiny, in accordance with section 22 of the Municipal Finance Management Act no 53 of 2003. The community should be part of the decision making process about how revenue is raised and spent.

6. IMPLEMENTATION OF TARIFFS POLICY

- 6.1 The Municipality must ensure that everybody is entitled to a minimum amount of free basic services that is necessary to ensure an acceptable and reasonable quality of life and would be good for public health and safety of the environment.
- 6.2 The Municipality like any other business enterprise is subject to continuous price increase in the goods, material and other resources that it uses to perform its function.
- 6.3 Tariffs represent the charges levied by the council on consumers for the utilization of services provided by the Municipality. Tariffs maybe calculated in a various different ways, dependent upon the nature of the services that are provided.
- 6.4 The Municipality must take into account consumers that cannot afford to pay for the services that are been rendered by the Municipality. The indigent household shall consist of households that are earning a gross income of R4000 and less.

7. CALCULATION OF TARIFFS FOR MAJOR SERVICES

- 7.1 In order to determine the tariffs which must be charged for the supply of water the Municipality shall identify all the costs of operation of the undertaking, including specifically the following:
- a) Cost of bulk purchases;
 - b) Distribution costs;
 - c) Distribution losses;
 - d) Depreciation expenses;
 - e) Maintenance of infrastructure and other fixed assets;
 - f) Administration and service costs, including:
 - i. Service charges levied by other departments such as finance, human resources, etc;

- ii. Reasonable general overheads, such as the costs associated with the office of the Municipal Manager;
 - iii. Adequate contributions to the provisions for bad debts;
 - g) all other ordinary operating expenses associated with the service concerned;
 - h) The cost of approved indigent relief measures.
- 7.2 With regard to pre-paid meters, the tariff shall be determined based on the cost of provision of the service, as no availability charge is levied on properties where pre - paid meters have been installed

8 WATER TARRIFS

8.1 The categories of water consumers as set out below shall be charged at the applicable tariffs, as approved by the Council in each annual budget.

8.2 Tariff adjustments shall be effective from 1 July each year.

8.3 Categories of consumption and charges shall be:

a) All domestic consumers shall be charged for actual monthly water consumption at a stepped tariff per kilolitre, as follows:

- i. Up to 10 kl,
- ii. More than 10 kl but not more than 30 kl,
- iii. More than 30 kl

b) All indigent consumers shall be charged for actual monthly water consumption at a stepped tariff per kilolitre, as follows:

- i. Up to 10 kl, free
- ii. More than 10 kl but not more than 30 kl,
- iii. More than 30

c) Tariffs for industrial and commercial consumption shall be charged for actual monthly water consumption at a stepped tariff per kilolitre, as follows:

- i. Up to 10 kl,

- ii. More than 10 kl but not more than 30 kl, and
- iii. More than 30 kl.

d) Tariffs for schools, religious and welfare organizations shall be charged for actual monthly water consumption at a stepped tariff per kilolitre, as follows:

- i. Up to 10 kl,
- ii. More than 10 kl but not more than 30 kl, and
- iii. More than 30 kl.

8.4 A basic charge per water meter, as determined by the Council from time to time, shall be charged on all water consumers, except registered indigents in terms of the indigent support policy and consumers using prepaid meters.

The above will not be applicable to household with a prepaid metering system

8.5 Certain agreements with bulk users of water will be honored.

8.6 A punitive tariff may be levied when it is necessary to reduce water usage for whatever reason e.g. drought.

8.7 Where development of more than one unit on an ERF is envisaged, a developer's capital contribution split into bulk and reticulation components will be levied based on the number of units to be developed and a factor based on the usage of the units.

8.8 Consumers may apply for additional meters on one ERF subject to meeting the normal requirements of an application process as set out in the credit control policy and the tariff of charges. Such application need to be done in writing to the Municipal Manager.

8.9 All borehole applications for approval shall be made to the municipality in accordance to the municipal tariff of charges.

9. SEWERAGE TARRIFS

9.1 The tariff in respect of sewerage is based on the value of the property (market value). This is as set out in the tariff of charges.

9.1 a As per the above 9.1 tariff for areas where empty plots exist the normal basic charge would be raised

- 9.2 Where development of more than one unit on an ERF is envisaged, a developer's capital contribution split into bulk and reticulation components will be levied based on the number of units to be developed and a factor based on the usage of the units.
- 9.3 A fixed monthly charge shall be levied for sewerage for domestic users. All consumers classified as registered indigents (value of property less than R130 000) by the ILembe District Municipality will not be charged for sewerage consumption.
- 9.4 All registered indigents household in the Municipality will be granted a subsidy in line with approved Tariff schedule.
- 9.5 The first R130 000.00 for all registered indigent consumers will be exempt from the sewerage calculation.
- 9.6 All properties valued at R 5 million and above, shall have their sanitation calculation levied at previous year average consumption.
- 9.7 Sewer desludging will be free for all registered indigent consumers and there is another threshold to the maximum of R15 000 (total household income) that is also introduced at an affordable rate.
- 9.8 Implementation of sewer tariffs in the first year of implementation of a new valuation roll for all local Municipalities within the District.
- a) Compare the previous valuation to the new valuation roll to establish the increase or decrease.
 - b) Determine the percentage increase from the old to new valuation in total.
 - c) Determine the average percentage increase from the old to new valuation.
 - d) If the percentage and average increase is in excess of the average increase
An increase in the valuation will be capped at 10% in order to make the charge affordable to the consumer.
 - e) The percentage of capping the increase in valuation per local Municipality will depend on the new valuation produced per local Municipality.
 - f) Over and above (d) above the normal annual increase will apply.

10. MISCELLANEOUS TARIFFS

10.1 Where at all possible all miscellaneous tariffs relating to the Municipality and the Water Services Authority area will be standardized.

10.2 All minor tariffs shall be approved by the Council in each annual budget.

10.3 All minor tariffs over which the municipality has full control, and which are not directly related to the cost of a particular service, shall annually be adjusted at least in line with the prevailing consumer price index, unless there are compelling reasons why such adjustment should not be effected.

10.4 The following services shall be considered as subsidised services, and the tariffs levied shall cover 50% or as near as possible to 50% of the annual operating expenses budgeted for the service concerned:

- a) Burials and Cemeteries
- b) Rental for the use of Municipal facilities.

~~10.5~~

~~a) open spaces~~

10.6~~5~~ The following services shall be considered as economic services, and the tariffs levied shall cover 100% or as near as possible to 100% of the budgeted annual operating expenses of the service concerned:

- a) rentals for the use of Municipal halls and other premises
- b) Photostat copies and fees

10.7~~6~~ The following charges and tariffs shall be considered as regulatory or punitive, and shall be determined as appropriate in each annual budget:

- a) penalty and other charges imposed in terms of the approved policy on credit control and debt collection;
- b) Penalty charges for the submission of dishonored, stale, post-dated or otherwise unacceptable cheques.

10.87 Lease agreements shall be entered into for the lease of municipal properties. Where possible market related rentals will be levied.

11. **BY-LAWS: SECTION 75 TO GIVE EFFECT TO POLICY**

11.1 The council of the municipality must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.

11.2 Such by-laws may differentiate in respect of services, service standards, service providers and other matters between different categories of users, debtors or geographical areas, but in a manner which does not amount to unfair discrimination.

12. **DEVELOPERS CONTRIBUTION**

12.1 Developers contributions are payable by all consumers with the intention to build.

12.2 Developers contribution shall be calculated using a methodology as set out in the tariff of charges.

12.3 Contractors and or developers are to provide the district municipality with approved plans as per submitted with the local municipality

12.4 All Developers Contribution is payable in full before the Development commences.

13. **POLICY ADOPTION**

This policy has been considered and approved by the Council of **ILembe District Municipality** on this day **XX May 2023**

ANNEXURE A: LEGAL REQUIREMENTS

LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT NO. 32 OF 2000

SECTION 74: TARIFF POLICY

The council of a municipality must adopt and implement a tariff policy on the levying of fees for the services provided by the municipality itself or by way of service delivery agreements.

Such policy must comply with the provisions of the present Act and any other applicable legislation.

Such tariff policy must reflect at least the following principles:

- a) that users of municipal services must be treated equitably in the application of the municipality's tariffs;
- b) That the amount individual users pay for services must generally be in proportion to the use of such services;
- c) That Indigent households must have access to at least basic services through tariffs which cover only operating and maintenance costs, special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of services, or any other direct or indirect method of subsidisation of tariffs for Indigent households;
- d) That tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;
- e) That tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation 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) That provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- h) That the economic, efficient and effective use of resources, the recycling of waste and other appropriate environmental objectives must be encouraged;
- i) That the extent of subsidisation of tariffs for Indigent households and other categories of users must be fully disclosed.

The tariff policy may differentiate in respect of services, service standards, service providers and other matters between different categories of users, debtors or geographical areas.

If the policy entails such differentiation, the municipality must ensure that this does not amount to unfair discrimination.

SECTION 73: GENERAL DUTY

The municipality must give effect to the provisions of the Constitution, and in doing so give priority to the basic needs of the local community, promote the development of the local community, and ensure that all members of the local community have access to at least the minimum level of basic municipal services.

The services provided by the municipality must be: equitable and accessible; provided in a manner conducive to the prudent, economic, efficient and effective use of available resources, and the improvement of standards of quality over time; financially sustainable; environmentally sustainable; and regularly reviewed with a view to upgrading, extension and improvement.

This policy shall be effective from **01 July 2023**.



ILEMBE DISTRICT MUNICIPALITY WATER & SEWERAGE TARIFFS (Excluding the Siza Water Concession Area)

| 9.5% - DRAFT INCREASE | 2023/24 - DRAFT TARIFF OF CHARGES | | | |
|--|--|----------------------|-------------------------|----------------------|
| | 2022/23 TARIFFS | | 2023/24 TARIFFS | |
| | 2022/2023 | | 2023/2024 | |
| A. AVAILABILITY CHARGE | | | | |
| Availability charge on all vacant properties and properties not connected to a meter within the Ilembe District Municipality area that can reasonably be connected to a water reticulation system, with the exception of reticulated areas where infrastructure was funded by National or Provincial Government. | R 207.55 Per Month | | R 227.27 Per Month | |
| | | | | |
| B. WATER CONSUMPTION TARIFF | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | CONVENTIONAL - DOMESTIC | | CONVENTIONAL - DOMESTIC | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | - | 177,92 | - | 194,83 |

| | | | | |
|----------|-------|---|-------|---|
| 11-30 kl | 25,60 | - | 28,04 | - |
| > 30 kl | 42,47 | - | 46,51 | - |

DOES APPLY TO THE 2023/24 YEAR - Where a bulk meter exists at a residential complex, the above tariff will apply to that meter, except that the (2022/23) >20kl tariff will be R29.40 (R26.85), and the number of units in the complex will NOT be taken into account when calculating the monthly water charge for the complex including the basic.

| B.1 WATER CONSUMPTION TARIFF (PREPAID) | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
|--|----------------------|----------------------|----------------------|----------------------|
| | PREPAID - DOMESTIC | | PREPAID - DOMESTIC | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | 17,79 | 0 | 19,48 | 0 |
| 11-30 kl | 25,60 | 0 | 28,04 | 0 |
| > 30 kl | 42,47 | 0 | 46,51 | 0 |

DOES APPLY TO THE 2023/24 YEAR - Where a bulk meter exists at a residential complex, the above tariff will apply to that meter, except that the (2022/23) >20kl tariff will be R29.40 (R26.85), and the number of units in the complex will NOT be taken into account when calculating the monthly water charge for the complex including the basic.

| B.1 WATER CONSUMPTION TARIFF (PREPAID) | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
|---|----------------------|----------------------|----------------------|----------------------|
| | PREPAID - DOMESTIC | | PREPAID - DOMESTIC | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| REGISTERED INDIGENT CONSUMERS ONLY | | | | |
| 0 – 10 kl Free basic water | - | - | - | - |
| 11-30 kl | 25,60 | - | 28,04 | - |
| > 30 kl | 42,47 | - | 46,51 | - |

| C. WATER CONSUMPTION TARIFF CONVENTIONAL | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
|---|--|----------------------|--|----------------------|
| | INDUSTRIAL/COMMERCIAL/GOVERNMENT/ (BUSINESS) & NORMAL SCHOOLS | | INDUSTRIAL/COMMERCIAL/GOVERNMENT/ (BUSINESS) & NORMAL SCHOOLS | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | - | 355,85 | - | 389,65 |
| 11-30 kl | 35,22 | - | 38,57 | - |
| > 30 kl | 35,22 | - | 38,57 | - |
| | | | | |
| C.1 WATER CONSUMPTION TARIFF - PREPAID | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | INDUSTRIAL/COMMERCIAL/GOVERNMENT/ (BUSINESS) & NORMAL SCHOOLS (PREPAID) | | INDUSTRIAL/COMMERCIAL/GOVERNMENT/ (BUSINESS) & NORMAL SCHOOLS (PREPAID) | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | 355,85 | - | 389,65 | - |
| 11-30 kl | 35,22 | - | 38,57 | - |
| > 30 kl | 35,22 | - | 38,57 | - |
| | | | | |
| D. WATER CONSUMPTION TARIFF CONVENTIONAL | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | RELIGIOUS, NO FEE SCHOOLS AND REGISTERED WELFARE ORGANISATIONS | | RELIGIOUS, NO FEE SCHOOLS AND REGISTERED WELFARE ORGANISATIONS | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | | 188,09 | | 205,96 |

| | | | | |
|--|---|----------------------|---|----------------------|
| 11-30 kl | 25,57 | - | 27,99 | - |
| > 30 kl | 25,57 | - | 27,99 | - |
| | - | | - | |
| D.1 WATER CONSUMPTION TARIFF PREPAID | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | RELIGIOUS, NO FEE SCHOOLS AND REGISTERED WELFARE ORGANISATIONS | | RELIGIOUS, NO FEE SCHOOLS AND REGISTERED WELFARE ORGANISATIONS | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | 188,09 | - | 205,96 | - |
| 11-30 kl | 25,57 | - | 27,99 | - |
| > 30 kl | 25,57 | - | 27,99 | - |
| | | | | |
| E. WATER CONSUMPTION TARIFF CONVENTIONAL | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | VULNERABLE GROUPS | | VULNERABLE GROUPS | |
| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
| 0 – 10 kl | - | 188,09 | - | 205,96 |
| 11-30 kl | 25,57 | - | 27,99 | - |
| > 30 kl | 25,57 | - | 27,99 | - |
| Vulnerable Groups – Non Governmental Organisations and/or Non-Profit Organisation caring for abandoned persons, sick, frail, no shelter, cannot take care of themselves and/or has no immediate family. Requirements – as per tariff policy | | | | |
| | | | | |
| E.1 WATER CONSUMPTION TARIFF PREPAID | 2022/23 WATER TARIFF | | 2023/24 WATER TARIFF | |
| | VULNERABLE GROUPS - PREPAID | | VULNERABLE GROUPS - PREPAID | |

| | TARIFF | BASIC MONTHLY CHARGE | TARIFF | BASIC MONTHLY CHARGE |
|--|--|----------------------|--|----------------------|
| 0 – 10 kl | 188,09 | - | 205,96 | - |
| 11-30 kl | 25,57 | - | 27,99 | - |
| > 30 kl | 25,57 | - | 27,99 | - |
| Vulnerable Groups – Non Governmental Organisations and/or Non-Profit Organisation caring for abandoned persons, sick, frail, no shelter, cannot take care of themselves and/or has no immediate family. Requirements – as per tariff policy | | | | |
| | 2022/23 | | 2023/24 | |
| Bulk Water Sales to Ithala per kilolitre. | R 0,00 | | R 0,00 | |
| Bulk Water Sales to AVON Peaking Power per kilolitre. | AS PER SIGNED SLA | | AS PER SIGNED SLA | |
| Water sales to all domestic properties registered in the name of Sappi Kraft (Mandeni) and being used by Sappi Kraft per kilolitre. – No free basic water allocation. Excluding accounts registered in private individuals' names. | R 5,04 | | R 5,52 | |
| Water sales to all domestic properties registered in the name of ILLOVO and being used by ILLOVO per kilolitre. – No free basic water allocation. Excluding accounts registered in private individuals' names. | R 7,78 | | R 8,52 | |
| | | | | |
| F. WATER TANK DELIVERIES | Per Tank | | Per Tank | |
| Delivery of water by municipal tankers to areas without access to boreholes, springs or reticulated water (restricted to 6kl per month per household) – Domestic | R 708,48 | | R 775,79 | |
| Delivery of water by municipal tankers to areas without access to boreholes, springs or reticulated water (restricted to 6kl per month per business/government institution) – Business and Government | R708.48 Per Tank plus R34.64 per kilometre, | | R775.79 Per Tank plus R37.93 per kilometre, | |

| | | |
|--|--|--|
| Water sales to private tankers per kilolitre. | R 45,60 | R 49,93 |
| G. INSTALLATION OF METERED CONNECTION WITHIN ROAD RESERVE | 2022/23 | 2023/24 |
| i) 15mm – Registered Indigent Consumers | R 1 089,38 | R 1 192,87 |
| ii) 15mm – All Consumers | R 4 248,53 | R 4 652,14 |
| iii) 20 mm | R 5 402,15 | R 5 915,36 |
| iv) >20 mm | Cost + 10% | Cost + 10% |
| vi) Additional charge for road or pavement reinstatement | Cost + 10% | Cost + 10% |
| * Special Tariff for indigent: | Water Deposit of R100.00 subject to the consumer concerned providing the Municipality with an Indigent form supported by the Ward Councillor and checked with the Local Municipality’s Indigent Register, | Water Deposit of R100.00 subject to the consumer concerned providing the Municipality with an Indigent form supported by the Ward Councillor and checked with the Local Municipality’s Indigent Register, |
| Water Deposit of R100.00 subject to the consumer concerned providing the Municipality with an Indigent form supported by the Ward Councillor and checked with the Local Municipality’s Indigent Register, | | |
| H. RECONNECTION CHARGE | 2022/23 | 2023/24 |
| The charge for reconnection of any water supply installation which has been previously disconnected due to non payment: | | |
| i) 15mm to 20mm – Residential | R 863,52 | R 945,56 |
| ii) Complexes/Business/Other | R 3 257,20 | R 3 566,64 |
| iii) > 20mm | | |
| I. CUSTOMER COMPLAINTS CALL OUTS | 2022/23 | 2023/24 |
| Any customer call out which has been established to be the customer’s liability. | Cost + 10% | Cost + 10% |
| J. SURCHARGE | | |

The Council may, by resolution, enforce a surcharge to cover the costs of unforeseen circumstances.

| K. ILLEGAL WATER CONNECTIONS | 2022/23 | 2023/24 |
|---|------------------------|------------------------|
| 1st Disconnections of illegal water connections and tampering with meter installation, replace or insert seal on meter. | R 9 930,53 | R 10 873,93 |
| 2nd Disconnections of illegal water connections and tampering with meter installation, replace or insert seal on meter. | R 14 895,78 | R 16 310,88 |
| 3rd Disconnections of illegal water connections and tampering with meter installation, replace or insert seal on meter. | R 29 791,54 | R 32 621,74 |
| RESTRICTIONS SHALL BE IN THE FORM OF A WATER FLOW LIMITER | | |
| L. ADDITIONAL WORK FOR WATER & SEWER INSTALATIONS | 2022/23 TARIFFS | 2023/24 TARIFFS |
| 1) Extra work for excavation in rocky material | Cost + 10% | Cost + 10% |
| 2) Supply and installation of isolating valve on customer side of meter for water pipe up to 30mm in diameter. | R 793,54 | R 868,93 |
| 3) Supply and installation of isolating valve on customer side of meter for water pipe up to 40mm in diameter. | R 1 028,70 | R 1 126,42 |
| 4) Supply and installation of isolating valve on customer side of meter for water pipe more than 40mm in diameter | Cost + 10% | Cost + 10% |
| 5) Supply and installation of valve box on customer side of water meter | R 753,17 | R 824,72 |

| | | |
|--|---|---|
| 6) Opening up and reinstatement of customer's paving | R 629.11 / m ² | R 688.88 / m ² |
| 7) Cost of single cut in customer's paving | R 262.22 / m ² | R 287.13 / m ² |
| 8) Excavation and removal of old meter and pipe work, installation of new meter box with meter and isolating valve and reconnection. | Cost + 10% | Cost + 10% |
| 9) Any other tariff not included | Cost + 10% | Cost + 10% |
| 10) Meter Test Fee | | |
| i) 15mm to 20mm | R 2 534,99 | R 2 775,82 |
| ii) 25mm to 80mm | R 4 166,17 | R 4 561,95 |
| iii) >100mm | R 6 381,49 | R 6 987,73 |
| | | |
| | | |
| M. Conservancy Removal - Withdraw/Desludge | 2022/23 | 2023/24 |
| Sewer Disposal (per load) | R 921,53 | R 1 009,07 |
| Sewer Disposal (maximum to R15 000 total household income) | R 393,52 | R 430,90 |
| Sewer Disposal (Indigent) | FREE | FREE |
| | | |
| N. Developer's Water Contribution Per Unit | 2022/23 | 2023/24 |
| | Reticulation | Bulk |
| | R 28 202,37 | R 14 897,36 |
| | Reticulation | Bulk |
| | R 30 881,60 | R 16 312,61 |
| The following factors are to be utilised when calculating the above Developers Contribution: | | |
| | Factor to be applied to Above Tariff | Factor to be applied to Above Tariff |
| Type of Development | Water | Water |
| Dwelling Houses | | |
| Social Housing or Sub-economic (250m ² -400m ²) | 0,25 | 0,25 |
| 401 – 700 m ² | 0,60 | 0,60 |
| 701 – 900m ² | 0,80 | 0,80 |

| | | |
|--|--------------|--------------|
| 901 – 2000m ² | 1,00 | 1,00 |
| Granny flat or outside building | 0,80 | 0,80 |
| Low Rise Buildings | | |
| 30 – 60m ² | 0,60 | 0,60 |
| 61 – 200m ² | 0,80 | 0,80 |
| 201 – 500m ² | 1,00 | 1,00 |
| High Rise Multiple Dwelling (Flats/Hotels) | | |
| 30 – 60m ² | 0,45 | 0,45 |
| 61 – 200m ² | 0,60 | 0,60 |
| 201 – 500m ² | 0,75 | 0,75 |
| Offices and Shops per 100m ² | 0,40 | 0,40 |
| Industrial Development (excl office) per 100m ² | 0,50 | 0,50 |
| | | |
| | | |
| Type of Development | Water | Water |
| Clinic/Bed | 0,25 | 0,25 |
| Retirement village/Person | | |
| Frail care/Person | 0,25 | 0,25 |
| Bedsitter/Person | 0,25 | 0,25 |
| Units/Unit | 0,50 | 0,50 |
| Hostels/Pupil | 0,15 | 0,15 |
| Creche/Pupil | 0,02 | 0,02 |
| Schools/Pupil | 0,02 | 0,02 |
| Hospital/Bed | 0,25 | 0,25 |
| Restaurant | 0,09 | 0,09 |
| Warehouse (Excl office) / 100 m2 | 0,20 | 0,20 |
| Industrial (Excl office) / 100 m2 | 0,40 | 0,40 |
| Caravan Park/Site | 0,60 | 0,60 |
| Conference Centre/Seat | 0,09 | 0,09 |
| Golf or Equestrian Estate / Hectare | 5,00 | 5,00 |
| Service Station/Workshop/100 m2 | 0,40 | 0,40 |

| | | |
|--|-----------------------|-----------------------|
| B&B/Guesthouse/Lodge/Lodge | 0,60 | 0,60 |
| Hotel/Room | 0,60 | 0,60 |
| Church/Religious Inst | 1,00 | 1,00 |
| Halls & Club houses | 1,00 | 1,00 |
| Police stations | 0,50 | 0,50 |
| Entertainment | 0,60 | 0,60 |
| Other | 0,70 | 0,70 |
| | | |
| | | |
| Type of Development | Water | Water |
| Social Housing or Sub-economic | | |
| (30m ² -60m ²) | 0,20 | 0,20 |
| (60m ² -90m ²) | 0,30 | 0,30 |
| (90m ² -120m ²) | 0,40 | 0,40 |
| HS | | |
| Dwelling for subsidy beneficiaries | 0,25 | 0,25 |
| Dwelling for non-subsidy beneficiaries | 0,40 | 0,40 |
| Dwelling for Financed beneficiaries | 0,60 | 0,60 |
| Commercial and /or business | 0,50 | 0,50 |
| | | |
| | | |
| SANITATION | | |
| 2023/24 Sewer Tariff to be calculated based on valuation of the property method | | |
| | | |
| Availability charge on all vacant properties and properties not connected to a sewerage within IDM area that can reasonably be connected to sewer reticulation system. | R 207.55 Per Month | R 227.27 Per Month |
| | 2022/23 | 2023/24 |
| DOMESTIC | | |
| Sewer basic charge | Valuation cost method | Valuation cost method |
| Sewer unit charge - per kl consumption | Valuation cost method | Valuation cost method |

| | | |
|--|---|---|
| Sewer basic charge - INDIGENT | Valuation cost method | Valuation cost method |
| Sewer unit charge - per kl consumption | Valuation cost method | Valuation cost method |
| INDUSTRIAL/COMMERCIAL/GOVERNMENT/ (BUSINESS) & NORMAL SCHOOLS | Volumetric method | Volumetric method |
| Sewer basic charge | Valuation cost method | Valuation cost method |
| Sewer - Avon Peaking Power | TO REVIEW THESE TARIFFS WITH T/S | TO REVIEW THESE TARIFFS WITH T/S |
| RELIGIOUS, NO FEE SCHOOLS AND REGISTERED WELFARE ORGANISATIONS | | |
| Sewer basic charge | Valuation cost method | Valuation cost method |
| Sewer unit charge - per kl consumption | Valuation cost method | Valuation cost method |
| VULNERABLE GROUPS | | |
| Sewer basic charge | Valuation cost method | Valuation cost method |
| Sewer unit charge - per kl consumption | Valuation cost method | Valuation cost method |
| | | |
| O. SEWER CONNECTION FEE (SADDLE ONLY) | | |
| i) 110 mm diameter | R 5 029,55 | R 5 507,35 |
| ii) 150 mm diameter | R 7 193,46 | R 7 876,84 |
| iii) 225 mm diameter | R 15 988,65 | R 17 507,57 |
| | | |
| P. UNBLOCKING OF SEWERS (WITHIN CUSTOMER'S PREMISES) | 2022/23 | 2023/24 |
| 1. For the first 2 hours | R 296.10 per hour | R 324.23 per hour |
| 2. For each additional hour | R 237.03 per hour | R 259.55 per hour |
| | | |
| Q. CONSERVANCY REMOVAL - Dumping | 2022/23 | 2023/24 |
| Per Draw | Cost + 10% | Cost + 10% |
| Plus additional charge exceeding 15km from Stanger or Mandeni Depot | Cost + 10% | Cost + 10% |
| Disposal at Sewer Works by Private Contractor using their own transport | R 422.60 / 10m ³ Load | R 462.75 / 10m ³ Load |
| Any other tariff not included | Cost + 10% | Cost + 10% |

| | | | | |
|---|---------------------------|-------------|---------------------------|-------------|
| R. Ithala Sewer Charges | As per existing agreement | | As per existing agreement | |
| S. Developer's Sewer Contribution Per Unit | 2022/23 | | 2023/24 | |
| | Reticulation | Bulk | Reticulation | Bulk |
| | R 35 991,32 | R 20 862,52 | R 39 410,50 | R 22 844,46 |

The following factors are to be utilised when calculating the above Developers Contribution:

| Type of Development | Factor to be applied to Above Tariff | Factor to be applied to Above Tariff |
|--|--------------------------------------|--------------------------------------|
| | Sanitation | Sanitation |
| Dwelling Houses | | |
| Social Housing or Sub-economic (250m ² -400m ²) | 0,20 | 0,20 |
| 401 – 700 m ² | 0,50 | 0,50 |
| 701 – 900m ² | 0,65 | 0,65 |
| 901 – 2000m ² | 0,85 | 0,85 |
| Granny flat or outside building | 0,65 | 0,65 |
| Low Rise Buildings | | |
| 30 – 60m ² | 0,50 | 0,50 |
| 61 – 200m ² | 0,65 | 0,65 |
| 201 – 500m ² | 0,85 | 0,85 |
| High Rise Multiple Dwelling (Flats/Hotels) | | |
| 30 – 60m ² | 0,40 | 0,40 |
| 61 – 200m ² | 0,50 | 0,50 |
| 201 – 500m ² | 0,70 | 0,70 |
| Offices and Shops per 100m ² | 0,40 | 0,40 |
| Industrial Development (excl office) per 100m ² | 0,40 | 0,40 |
| MISCELLANEOUS TARIFFS | | |
| T. INTEREST ON OVERDUE ACCOUNTS | 2022/23 | 2023/24 |

| | | |
|---|--|--|
| Any accounts in arrears in excess of 30 days will be charged interest on the outstanding amount in excess of 30 days at the annual interest rate of: | Prime interest rate as at 1 July 2022 + 5% | Prime interest rate as at 1 July 2023 + 5% |
| | | |
| U. RD CHEQUES | 2022/23 | 2023/24 |
| Any cheque payments returned RD by the bank will be charged | R 599,33 | R 656,26 |
| | | |
| V. ADMINISTRATION CHARGE ON INCORRECT PAYMENTS | 2022/23 | 2023/24 |
| Any payments made to Ilembe District Municipality in error will be charged a fee on request for a refund of the incorrect payment. | 10% of the amount to be refunded up to a maximum of R 693.99 | 10% of the amount to be refunded up to a maximum of R 759.92 |
| Meter replacement reported, stolen or broken, knocked by cars etc. | 10% of the amount up to a maximum of R 763.38 | 10% of the amount up to a maximum of R 835.90 |
| | | |
| W. RATES CLEARANCE CERTIFICATES | 2022/23 | 2023/24 |
| Issuing of rates clearance certificates. | R 1 191,78 | R 1 305,00 |
| | | |
| X. AUDITORIUM RENTAL | 2022/23 | 2023/24 |
| All Deposit amount | R 9 297,77 | R 10 181,05 |
| Entertainment for own profit | | |
| * Evening per session | R 7 117,00 | R 7 793,12 |
| * Daytime per session | R 6 303,63 | R 6 902,47 |
| * One hour or less | R 2 236,77 | R 2 449,26 |
| Social Gatherings | | |
| * Evening per session | R 4 239,70 | R 4 642,47 |
| * Daytime per session | R 3 629,67 | R 3 974,49 |
| * One hour or less | R 2 214,41 | R 2 424,78 |
| Cultural events and any other | | |

| | | |
|-----------------------|------------|------------|
| * Evening per session | R 2 643,46 | R 2 894,59 |
| * Daytime per session | R 2 236,77 | R 2 449,26 |
| * One hour or less | R 1 525,07 | R 1 669,95 |

The Municipal Manager or Director: Community Services may at his/her discretion authorise the use of the auditorium free of charge for activities he/she considers of a deserving nature or in the interest of the community.
Application for the hire of the auditorium must be made on a prescribed form obtainable from the District Municipal office and motivation for the exemption from payment must also be made on a prescribed form.

| Z. USER INTERFACE UNIT | 2022/23 | 2023/24 |
|---|----------------|----------------|
| Replacement of UIU device | R 772,70 | R 846,11 |
| AA. GEOGRAPHIC INFORMATION SYSTEMS MAPPING CHARGES | | |
| | 2022/23 | 2023/24 |
| A0 Plain Paper - Full Colour Map or Copy | R 355,49 | R 389,26 |
| A1 Plain Paper - Full Colour Map or Copy | R 292,29 | R 320,06 |
| A2 Plain Paper - Full Colour Map or Copy | R 244,90 | R 268,17 |
| A3 Plain Paper - Full Colour Map or Copy | R 118,50 | R 129,76 |
| A4 Plain Paper - Full Colour Map or Copy | R 71,10 | R 77,85 |
| A0 Plain Paper - Line Map or Copy | R 316,00 | R 346,01 |
| A1 Plain Paper - Line Map or Copy | R 252,80 | R 276,81 |
| A2 Plain Paper - Line Map or Copy | R 221,20 | R 242,21 |
| A3 Plain Paper - Line Map or Copy | R 94,80 | R 103,80 |
| A4 Plain Paper - Line Map or Copy | R 47,41 | R 51,91 |
| Digital Extraction of CAD / GIS Data | | |
| 0 – 999 KB or part thereof | R 118,50 | R 129,76 |
| 1 MB - 5 MB = R150 per MB | R 237,00 | R 259,52 |
| More than 5 MB = R100 per MB | R 158,00 | R 173,01 |

| | | |
|--|----------|----------|
| GIS Calculations & Miscellaneous Work - Per Hour | R 347,59 | R 380,62 |
| Media Costs for CD | R 12,65 | R 13,85 |
| Media Costs for DVD | R 39,50 | R 43,25 |
| | | |

**Students to have a 50% discount on ALL tariffs on producing a valid student card
A maximum of 50% reduction may apply to registered NGO's, at the discretion of the Municipal Manager**

| AB. BOREHOLES | 2022/23 TARIFFS | 2023/24 TARIFFS |
|--|------------------------|------------------------|
| Application for Borehole Commissioning | R 5 920,76 | R 6 483,23 |
| Illegal Borehole | R 10 883,85 | R 11 917,82 |
| Basic Charge | R 195,00 | R 213,53 |
| | | |
| AC. ATMOSPHERIC EMISSION LICENCE | 2022/23 TARIFFS | 2023/24 TARIFFS |
| Application for new atmospheric emission licence (per listed activity) | R 15 799,76 | R 17 300,74 |
| Application for atmospheric emission licence review (per listed activity under review) | R 15 799,76 | R 17 300,74 |
| Application for atmospheric emission licence renewal (per listed activity) | R 7 899,88 | R 8 650,37 |
| Application for atmospheric emission licence transfer | R 3 159,95 | R 3 460,15 |

Included in the Tariff Policy

Note: All amounts above are excluding VAT

2023/2024 - FINAL SEWER TARIFF OF CHARGES

Sewer Tariff to be calculated on the market value of the property reflected in the KwaDukuza, Mandeni, Ndwedwe & Maphumulo Municipality's valuation roll as follows:

| 2022/23 | 2023/24 | Type of Property |
|--|---|---|
| 0.00080568 cents in the rand on the market value | 0.000882219 cents in the rand on the market value | In respect of agricultural properties. |
| 0.00647774 cents in the rand on the market value | 0.007093125 cents in the rand on the market value | In respect of residential properties including sectional title units. |
| 0.02681188 cents in the rand on the market value | 0.0293590 cents in the rand on the market value | In respect of schools and properties used for worship or by welfare organisations. Religious entities with a max of R 708.14 |
| 0.02681188 cents in the rand on the market value | 0.02935900 cents in the rand on the market value | In respect of vacant properties. |
| 0.40131328 cents in the rand on the market value | 0.43943804 cents in the rand on the market value | In respect of state owned properties and public service infrastructure properties. |
| 0.40131328 cents in the rand on the market value | 0.43943804 cents in the rand on the market value | In respect of any other property not mentioned above. |

TO CALCULATE THE SEWER TARIFFS THE VALUE IN THE VALUATION ROLL AS AT 30 JUNE EACH YEAR WILL BE USED. IN THE EVENT OF CHANGES TO THE VALUATION FROM THE LM, AN ADJUSTMENT WILL BE MADE DURING THE FINANCIAL YEAR. THE ADJUSTMENTS WILL AFFECT THE SURCHARGE ACCORDINGLY FOLLOWING THE ADJUSTMENT.

| 2022/23 | 2023/24 | Type of Property |
|---|---|---|
| Previous 12 months average (billed) consumption | Previous 12 months average (billed) consumption | Domestic Sewered properties above R5 million in the valuation rolls. |
| Previous 12 months average (billed) consumption | Previous 12 months average (billed) consumption | In respect of industrial, business and commercial properties. |
| R207.55 | R227.27 | Sewered Properties not included in the Valuation rolls. Charge availability charge till a valuation is obtained. Back charge from valuation date. |

Included in the Tariff Policy

Note: All amounts above are excluding VAT