



DRAFT
Phokwane
Local Municipality
INDIGENT SUPPORT
POLICY 2022-2023

INDIGENT SUPPORT POLICY

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1. DEFINITIONS

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

“Act” means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended from time to time;

“Authorised Officer” means any official of the Council who has been authorised by the Council to administer, implement and enforce the provisions of this Policy;

“by-law” means a by-law adopted by the Council;

“Indigent person” means a person referred to in paragraph 6;

“Municipality” means the Phokwane Local Municipality;

“Services” means the basic services referred to in **clause 8 (a)**.

2. OBJECTIVE OF POLICY

(a) Section 74 (2) (c) of the Municipal Systems Act, Act 32 of 2000 stipulates inter alia the following:-

“Poor households must 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 subsidisation of tariffs for poor households;”

(b) The objective of the Indigent Support Policy is to ensure -

- (i) The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council;

- (ii) The provision of procedures and guidelines for the subsidisation of basic service charges to its indigent households, using the Council's budgetary provisions received from Central Government, according to prescribed policy guidelines.

Possibly need to address clustering issue based on income and services received.

3. RESPONSIBILITY/ACCOUNTABILITY FOR INDIGENT SUPPORT

3.1 Responsibilities of Council

- (a) To approve a budget consistent with the needs of communities, ratepayers and residents.
- (b) To facilitate sufficient funds to give access to basic services for the poor.
- (c) To consider and approve by-laws to give effect to the Council's policy.

3.2 Responsibilities of the Municipal Manager

- (a) To implement good customer care management systems;
And
- (b) To implement council's Indigent Support Policy.

4. INDIGENT SUPPORT POLICY PRINCIPLES

The following are the guiding principles in formulating an Indigent Support Policy:

- (a) The Indigent Support Policy must be formulated in accordance with the Act and other related legislation.
- (b) Relief must be provided by the Council to registered residential consumers of services who are indigent, or identified as being in need of financial assistance.

- (c) Council must, wherever possible, ensure that any relief is in accordance with the Constitution and is cost effective, sustainable, practical, fair, equitable and justifiable
- (d) The subsidizing of minimum service levels should not result in the creation of a massive bureaucratic administration that would not be cost effective to implement.
- (e) Differentiation must be made between those households who cannot afford to pay for basic services, those who can afford a limited amount, and those who can afford to pay for these services.
- (f) Services should, where possible, be affordable to the indigent.
- (g) The relief should be based on a predetermined period.
- (h) The Council may review and amend the qualification for indigent and poor support.
- (i) The collective or joint gross income of all the households will be taken into account in determining the extent of indigent support.
- (J) Misuse of the support granted in terms of this policy will lead to cancellation of the grant and disqualification for any further relief.

5. ADMINISTRATION OF INDIGENT SUPPORT

- (a) Indigent support is available to residents of the Municipality who are unable to pay their municipal accounts, or who can only afford a limited amount based on criteria as set out in this policy, and who qualify for the indigent support in terms of paragraph 6

and who formally apply for relief on the prescribed application form.

- (b) After the application form has been completed, an effective and efficient evaluation system must be used in order to verify the information furnished by the applicant and to reach a decision within **twenty-one (21) days** after the date on which the application was lodged. All applications will be manually approved by the indigent committee.
- (c) If a person is found to be indigent, his/her personal particulars must be registered on a database linked to the debtors system, within the days after the 20th of every month.
- (d) The onus is on the recipient of relief in terms of this policy to inform the Council/municipal office of any change in his/her status or personal household circumstances.
- (e) Appropriate disciplinary measures decided by the Council, shall be imposed on people who misuse the system and provide incorrect information.

6. CRITERIA FOR QUALIFICATION FOR INDIGENT SUPPORT

- (a) Indigent relief will be granted to a household where –
 - (i) the total gross monthly household income is less than or equal to two (2) times the prevailing social monthly pension pay-out, which is the amount of, **R3960.00** and where the household can no longer afford to pay for the services due to unemployment
 - (ii) the applicant is a South African resident;

- (iii) the applicant is in possession of a South African Identity document (unless where minors act as head of households);
 - (iv) the household formally applied for relief on the prescribed form; and
 - (v) the household complies with the qualifying criteria/principles determined by the Council
- (b) Indigent relief will not be granted where the household, occupants, residents or dependants, as the case may be -
- (i) Own more than one property;
 - (ii) Receive significant benefits or regular monetary payments.
 - (iii) Own tavern, tuck shop or rent backrooms at the residence
 - (iv) Are not registered at the council as consumers of services rendered by Council.
- (c) Property owners will only qualify for indigent relief if they live on the premises concerned.

7. PERIOD OF RELIEF

Indigent relief is granted for a period of one (1) year which is determined by Council from time to time.

8. EXTENT OF INDIGENT SUPPORT

- (a) Indigent support must be given on a monthly basis, and the extent of the monthly support must be determined by the

Council's budgetary provisions and/or the amount received from the Central Government, divided by the number of recipients, with a maximum of an average monthly account in respect of -

- (i) 6kl of water;
- (ii) 100% Refuse collection;
- (iii) 50kwhs of Electricity;
- (iv) 100% Sewerage;
- (v) 100% Basic Electricity
- (vi) 100% Basic Water
- (vii) Assessment rates: 100%

- (b) The level of indigent support granted shall not exceed the actual monthly billings to the account in respect of the services referred to in the preceding paragraph.
- (c) The relief must be sufficient to support the recipient to meet his/her or monthly commitments to the municipality in respect of the services referred to in paragraph (a).
- (d) The recipient's monthly account must be credited with the amount of indigent relief granted.
- (e) A household may apply for continuation of the relief, depending on the circumstances.
- (f) Child-headed households may be given indigent support for as long as the unfortunate situation exists and also appointed by the court of law as the executor. The executor must bring the letter of authority from the court of law stating that he/she is responsible for the assets of the deceased.
- (g) Indigent relief is also granted to informal settlements in a form of refuse removal, sanitary services and water communal taps.

9. APPLICATION FOR INDIGENT SUPPORT

- (a) Applications for indigent relief must be made on a form substantially similar to the form prescribed in the Annexure.
- (b) The following documentation should accompany the application form:
 - (i) The applicant's original ID document, whereby the municipality will make a copy thereof;
 - (ii) The applicant's spouse original ID document whereby the municipality will make a copy thereof, if married
 - (iii) Applicants proof of income/affidavit from oath if unemployed
 - (iv) Spouse's proof of income/affidavit from oath if unemployed
 - (v) A reliable attestation motivating inability of income; and
 - (vi) An account number for services. Municipal bill, or account no.

10. CONTROL MEASURES FOR THE DISTRIBUTION OF INDIGENT SUPPORT (Approval of indigent applications)

(a) A Committee for Indigent Relief (hereinafter referred to as "the Committee") consisting of the senior indigent clerk, the Financial Controller: credit control and indigent, all 10 ward councillors and the Mayor will be formed to administer the indigent support programme.

- (c) The committee for Indigent relief must review and approve all applications on or before the 20th of every month.
- (d) The Indigent register must be reviewed every quarter.
- (e) The roles and responsibilities of the committee referred to in paragraph (a) will be to scrutinise each application prior to approval, check all the required documentation submitted and review and approve all indigent applications.

- (f) The details of all applicants and respective beneficiaries must be submitted to the indigent committee on a monthly basis for approval.
- (g) ITC checks must be performed as part of background checks and verifying information regarding the Indigents.
- (h) Any resident of the municipality may, within 14 days lodge a written objection to the granting of relief to any person to the Council

11. ACTION AGAINST MALPRACTICES

- (a) The Council may refer any objection referred to in paragraph 10(e) to the Committee, who must take such action as ordered by the Council, or any of the following steps deemed appropriate by the Committee:
 - (i) Request the resident to provide full proof of his/her banking account and income details as well as pension registration;
 - (ii) Call at the recipient's residence in order to verify any information furnished by the recipient or objector;
 - (iii) Request a social welfare worker's report on the household; and
- (b) If it is established that incorrect information was furnished in obtaining relief any one or more of the following actions must be taken:
They must request the CFO to:
 - (i) Suspend or stop the relief immediately; and/or
 - (ii) Recover from the recipient the amount of relief furnished by debiting his account; and/or
 - (iii) Apply the credit control and debt collection procedures of the municipality; and/or
 - (iv) Institute criminal proceedings against the recipient.

12. COMMUNICATION

Notification of renewal of indigent application will be communicated through the following structures and mechanisms put in place to encourage public participation within the planning and implementation of municipal business:

- Ward committees
- Council meeting
- News Letter
- General meetings

ANNEXURE

Phokwane Local Municipality

APPLICATION FORM FOR INDIGENT SUBSIDY SUPPORT SCHEME/VERIFICATION OF INFORMATION FURNISHED:

MUNICIPAL ACCOUNT NUMBER/S.

HOME ADDRESS: _____

In terms of the Indigent Support Scheme, the applicant agreed that Municipal Employees might conduct an on-site audit to verify the information supplied on the application form.

SECTION A: PARTICULARS OF ACCOUNT HOLDER

1. SURNAME: _____
2. FIRST NAMES: _____
3. DATE OF BIRTH: _____

4. RESIDENTIAL ADDRESS: _____

5. POSTAL ADDRESS: _____

6. I.D. NUMBER: _____
7. TELEPHONE NO. ON SITE: _____
8. NUMBER OF PEOPLE LIVING ON
 PROPERTY (OVER 18): _____

Information supplied by (full names): _____

SIGNATURE

DATE

DECLARATION BY VERIFYING OFFICER:

I, (full names), _____,
 the undersigned, who on behalf of the **PHOKWANE** Municipality, conducted
 an on-site audit at the above address to verify the information furnished above
 by the applicant for Indigent support, hereby declare that:

- a) All particulars furnished in this form were supplied by the household;
- b) None of the above particulars were in any way altered by myself unless instructed to do so by the household.
- c) Based on the information furnished by the applicant that was verified as correct during my investigation, I am convinced that the household *qualifies for the subsidy/ *needs to be further investigated:

SIGNATURE

DATE

SIGNATURE: SUPERVISOR

DATE

Forms attached	Yes	No
Certified copy of ID document		
Proof of income		
Attestation motivating inability of income		
Municipal Account		

