

WATER POLICY SUMMARY

This document sets out a summary of the current policies relating to the Water Service, as directed by Council committees over the past five years.

TARIFF POLICY

Two sets of tariff reports are approved by Council each year, one report deals with the costs of water and the other report covers the costs of the water related services we offer, such as new connections, the moving of meters, testing of water meters etc. This document will only cover the water tariff policy and the water connection tariff policy.

Water Tariffs

Different tariffs are charged for domestic customers based on the type of water connection they have and also the amount of water they use in a 30 day period. Customers with a full pressure water connection also pay a fixed charge (based on the size of the water meters) if monthly consumption is greater than 6kl. If a domestic connection supplies more than one legally separate unit, then each unit is allocated 6kl of free basic water for each 30 day period.

In cases where the ratable value of the property is below R30 000,00 no fixed charge is payable.

All other customers are charged using a single tariff, for the water that they use. In addition a monthly fixed charge is paid, based on the size of the water meter, for all full pressure water connections.

The current water tariffs are as follows :

Monthly consumption	Ground tank low pressure excl. VAT	Roof tank semi pressure excl VAT	Domestic full pressure excl. VAT	Industrial, commercial and other users excl. VAT
0kl - 6kl	Nil	Nil	Nil	R5,02
from 6kl - 30kl	–	R3,34	R5,02	R5,02
greater than 30kl	–	R10,04	R10,04	R5,02

Water Connection Charges

In order to make water available to customers at an affordable cost, three levels of service are offered to domestic customers. In providing an agreed level of water service, it is very important that a matching level of sewerage service is provided, so as not to cause public health problems. For example, a full pressure supply is not appropriate where a pit toilet is used and equally a ground tank water supply is not appropriate where a full water borne sewerage system is used.

The charges for water connections are as follows :

Type of domestic connection	Connection charge incl. VAT	Deposit * incl. VAT	Total incl. VAT
Ground tank	R 300,00	Nil	R 300,00
Roof tank	R 595,50	R125,00	R 720,50
Full pressure 20mm	R2039,90	R245,00 owner R980,00 tenant	R2284,90 R3019,90

* Note: Deposit as calculated by the City Treasurer and is refundable when service is no longer required.

WATER ACCOUNT RELATED POLICIES

Estimated accounts

Where it is not possible to read a meter in a month, or over the Christmas period when no domestic meters are read, an estimated account is raised. The amount appearing on the bill is shown as an estimate, without any meter readings. This estimated charge is then reversed once an actual reading is taken the following month and the actual charge is then raised. Estimated accounts are therefore only a temporary measure which enables us to charge customers every month for water, so that they do not receive a large account in the month (s) after we have not read a water meter.

High accounts

High accounts result from four main causes :

1. The meter is read incorrectly. In this case the account is adjusted immediately the error is detected.
2. The water meter is faulty. This can be proved by testing the meter in a calibrated test facility. A fixed amount of water is passed through the water meter and measured accurately into a tank. The readings on the meter are then compared against the volume measured in the tank, to determine the accuracy of the meter. If the meter is found to be inaccurate by more than 5% then the account is adjusted. Meters are almost always found to be accurate.
3. There is a leak on the property. Here it is the customers responsibility to repair the leak and pay the account for water. It is possible for domestic water customers to insure themselves against undetected underground water leaks. This policy is offered by a private insurance company, with the premiums being collected through our water accounts on behalf of the private company. If a high water consumption is detected through meter readings then Council policy is to send a standard letter to the customer immediately (**see annexure 1**) informing the customer that a high account is about to be posted and giving guidance as to how to deal with the problem.
4. The water has been used. In this case the customer is liable for the charges.
5. Where a water account for a customer in a previously disadvantaged area is greater than R200,00 and the consumption at that level is not normal for the

property, then a member of staff will be sent to the property to determine why the account is high. If it is found that there is a leak on the property a letter will be left indicating to the customer what action should be taken to restore the account to a normal level. A record of the visit will be maintained on the system notes.

6. In all areas of the Municipality where a domestic account is found to be greater than R1 000,00 in a month, the account will not be sent out until the site has been visited in order to find any reason for such a large account. Again if a leak is found a letter will be left with the customer explaining what action should be taken. A record of the visit will be maintained on the system notes.

Water insurance

Domestic water customers may insure themselves against undetected underground leaks by the payment of a monthly charge of R2,03 which is raised on the consolidated bill and forwarded to the private insurance company. If the insurance company is satisfied that the leak was underground and was repaired correctly then it will pay the customer's excess water charges for one metering period, directly to the Municipality. This means the customer is then only liable for their average monthly water charge. Customers are given 60 days after the leak has been repaired to submit a claim.

Deposits for water

Domestic customers are required to provide a deposit of 1½ months estimated consumption charges in cases where they own the premises on which water is consumed and 6 months estimated consumption charges in cases where tenants are the water customer.

Once off rebate policy

In cases where customers were not eligible to be covered by water loss insurance, these customers are entitled to claim for a once off rebate for high water accounts caused by leaking pipes and fittings. The customers who qualify for this rebate are predominantly from the former R293 townships.

ACCOUNT ARREARS POLICY

When a water account is not paid in full by the due date, it falls into arrears and additional interest and administration charges are raised on the outstanding amount.

A notice is printed on the bill for accounts which are in arrears which reads as follows:

"Our records reflect an unpaid amount on your account. Payment of this amount is due by dd/mm/yyyy to avoid disconnection of your water supply on or after dd/mm/yyyy. If you wish to discuss the non payment please phone 080 1311 811 or post a written submission to reach Box 1038 Durban 4000 by not later than dd/mm/yyyy "

For domestic customers a letter is then also posted to the account address if payment is not received immediately which says the following :

Dear Sir/Madam

WATER ACCOUNT ARREARS / LATE PAYMENT

Kindly ignore this reminder if payment has already been made.

Please note that according to our records you failed to pay an amount in terms of the water supply by-laws and your account is in arrears. We understand that this may be due to an oversight.

The message appearing on your bill advises the date by which payment should be received. Failure to pay the amount due will result in the disconnection of your water supply on or after the stated date.

Should you wish to discuss the account and avoid a possible interruption of the water supply to your premises, please contact our toll free help-line 080 131 1811.

You are entitled to a maximum of 200 litres of free water each day, in terms of the eThekweni Municipality's policy, and arrangements can be made for the amount you owe us to be paid off or else fixed at its present level until you can afford to pay the Council.

Any payments in respect of arrear amounts should be made at one of the offices listed below, and not at one of the many eThekweni Water agencies. There are sometimes delays in payments made at an agency reaching us and your water supply may be disconnected in the mean time.

IF YOU DO NOT VISIT US AND ATTEND TO THIS MATTER BEFORE THE DATE SHOWN ON YOUR BILL WE WILL UNFORTUNATELY BE FORCED TO DISCONNECT YOUR WATER SUPPLY.

ETHEKWINI WATER

This notice is also printed on the letter in Zulu (**see annexure 2**)

In the case of domestic household, if there is no response from the customer, the water supply is then restricted to a flow of one litre per minute through the use of a specially designed washer. This is done, notwithstanding the high court judgement in our favour which says that anyone using more than 6kl in a 30 day period and not paying for the extra consumption charges, forfeits their right to access 6kl of free basic water and can have their water supply disconnected. As soon as a customer makes an arrangement to deal with the unpaid water account, the water supply to the property is restored.

The options available to customers to deal with an unpaid water account are as follows:

1. Pay the outstanding amount in full.
2. Sign a credit agreement. The initial deposit and monthly payments are given in **annexure 3**.
3. Request the installation of a flow limiter and attend a 15 minute training session. In

this case the outstanding debt is “frozen” and does not attract any further interest charges. The flow limiting device will be removed once the outstanding amount is paid in full and the charge to remove the device (currently R100,00) is paid. The training programme in this case is vital as it makes customers aware of how to manage with 200 litres of water per day. The customer is also made aware that if the flow limiting device is tampered with in any way and the supply of water to the property increases to above 200 litres a day and the tampering is detected by the Council before it has been reported to eThekweni Water Services by the customer, then the supply of water to the property will be permanently disconnected until the amounts owing have been paid in full (including the cost of a new water connection). In this regard interest will again be due on the “frozen” amount from the date that the tampering is detected by the Council.

DISCONNECTION POLICY

When the restricting washer is installed in the connection a card is left with the customer to inform them of the consequences of tampering with the washer. The washer will allow a daily consumption of approximately 500 litres in a 6 hour period but at an extremely low flow rate. If a flow limiter is applied for (see point 3 above) then the flow to the connection is restored to a normal flow and merely limited to 200 litres per day. Furthermore, when the restriction washer is installed, interest continues to be charged on the outstanding balance whereas the debt is frozen if a flow limiter is used.

As indicated previously the water supply to domestic customers is only disconnected using a restricting washer if they fail to respond to our request to make arrangements to settle an outstanding water debt. Disconnection is a short term measure intended to force the customer to make contact with us in order to resolve the matter. Other customers are required to pay any outstanding debt in full, or sign a credit agreement within 14 days of being advised that their account is in arrears. If this is not done the water supply to the premises is totally disconnected. The charge for disconnecting a water supply due to non payment is R75,40 (incl VAT).

If it is found that a customer has illegally reconnected their water supply, then they are charged an amount of R112,10 (incl VAT) for each occasion that it is found that the connection has been illegally restored. **If a customer illegally reconnects the water supply on three or more occasions, then the entire water connection to the property is removed.**

Customers have 3 payment options in order to have their water supply restored.

1. If a customer makes arrangements to pay the outstanding amount on the same day as the water supply has been disconnected then the water supply will be reinstated at no charge.
2. If the customer makes arrangements to settle the water account on any day following the day on which the water supply was disconnected and is prepared to have the water supply reinstated on the day following the day in which he has settled his account, the water supply will also be reinstated at a cost of R75,40 (incl VAT).

3. If the customer requires the water supply to be reinstated on the day that he pays, having paid on any day following the date on which the water supply was disconnected, then a charge of R298,30 (incl. VAT) is raised in addition to the disconnection fee of R75,40 (incl. VAT) already raised ie a total of R374,70 (incl. VAT)

NEW WATER DISCONNECTION POLICY FOR DOMESTIC CUSTOMERS

1. From 11 August 2003, flow restrictors or flow limiters will be installed in the water connections of all domestic customers who have not paid for water for 60 days and who owe the Council more than R50,00 for water used.
2. If these devices are tampered with on 3 or more occasions then the complete water connection will be removed. The first removal of water connections will take place after 1 September 2003. Each time a connection is found to have been tampered with, notes will be left at customer's houses, informing them of the consequences of meter tampering and encouraging them to make contact with us to make arrangements to settle their water debts.
3. In areas where connections are completely removed, a standpipe will be installed at the closest municipal premises, to be used by these customers to access the free basic water amount.
4. If the connection to a domestic customer has been removed for the first time after 18 August 2003 then the water supply will be restored, with a flow limiting device installed, in terms of the following process :
 - 4.1 if a family's income is less than R1 000,00 a month, the customer must make contact with his ward councillor to determine how much money should be paid (if any) before the water supply is restored. The customer will be required to sign an affidavit to confirm the family income.
 - 4.2 if a family's income is R1 000,00 or more, the customer must pay an initial amount before the connection is replaced and also agree to pay a certain amount each month to pay off the debt. The minimum amounts payable are as follows :

FAMILY INCOME (RANDS)	MINIMUM INITIAL AMOUNT TO BE PAID (RANDS)	MINIMUM MONTHLY PAYMENT (RANDS)
0 to 1 000	see 4.1	see 4.1
, 1 000 to 2 000	500	50
, 2 000 to 3 000	1 000	100
, 3 000	25% of the water debt owing	to be agreed with the customer, but must be at least R150,00

- 4.3 the customer must sign an acknowledgement of debt (AOD) before the connection is replaced. The AOD will include a commitment to pay the minimum monthly amount. The AOD will also contain a clause about the consequences of further tampering (the connection will again be removed and not replaced until all amounts owing are paid)
 - 4.4 the cost of the new connection and all penalty charges will be added to the outstanding debt
 - 4.5 if the customer is due a leak rebate then this will be processed before the AOD is signed.
5. Where the connection to a domestic customer has been removed for non payment only, then the connection will be replaced at no cost to the customer, but a flow limiter will be installed in the water supply.

NOTE : If a customer has received a new connection and then tampers with it again then the connection will be removed and will not be replaced until all outstanding water debts have been paid

ILLEGAL CONNECTION POLICY

A period of time was given for domestic consumers of water to inform us if they were being supplied with water through an illegal or unrestricted connection. This moratorium period has now ended. Where this was reported, and the connection could be legalised, it was corrected at a subsidised rate. All illegal connections that are now found, are removed.

STANDPIPE POLICY

The Head: Water and Sanitation is authorised to make water available to informal communities through the use of the standpipes that are generally no more than 200 meters away from any informal dwelling, with the cost of these installations being met by the Water undertaking. Water supplied through these standpipes would be free of charge. As and when such standpipes are installed to supply water to an informal community, all the illegal connections to such communities will be removed immediately after the standpipes have been installed. If it is found that illegal connections are made to these standpipes and not reported to the Council, the standpipe connection will then be disconnected and removed.

If any member of the informal community, served by standpipes, wishes to receive a higher level of service, the higher level of service will be provided on payment of the prescribed tariff charge.

The provision of a free standpipe and water will be strictly limited to supplying people who are living in informal communities. Where an informal community located on privately owned land, the permission of the private land owner is necessary before such a service can be provided.

LEAK REPAIR POLICY

When a customer in a previously disadvantaged area detects that there is a leak on a property, it can be repaired by the Municipality on payment of a charge of R221,00 (incl. VAT). This charge is fixed, regardless of the cost to the municipality of the repair work.

METERING OF MULTIPLE OCCUPANCY RESIDENTIAL DEVELOPMENTS

1. Developers of new multiple occupancy residential developments are required to :
 - 1.1 pay for the installation of individual water connections, metered at the road boundary or
 - 1.2 pay for the installation of a bulk water connection, metered at the road boundary, and also pay for the installation of individual water meters located in the water pipe feeding each separate dwelling unit. These individual meters will be installed by the Council on private property.
2. Where option 1.2 is chosen by a developer, the Council will read the individual meters and the bulk meter and use the readings on the individual meters to distribute the total consumption measured by the bulk meter to each separately metered dwelling unit. The Body Corporate will be charged a tariff to undertake the reading of the meters and the distribution of the consumption to each unit by the Council. No fixed charge will be paid for the bulk meter.
3. Each unit will be charged for water by the Council according to the level of service chosen, based on the metered consumption for each unit plus that unit's share of the difference between the consumption measured on the bulk meter and the sum of the consumption measured on the individual meters.
4. In the event of non payment of an account, each unit will be regarded as a direct customer of the Council and be subjected to normal debt collection policies including the installation of flow restrictors (tricklers) and flow limiters.
5. In the event of non payment of the monthly management fee by the Body Corporate, any water connection in the name of the Body Corporate will be disconnected and the debt will be handed over for collection.
6. In the case of existing developments, supplied through a bulk meter, it is proposed that the Body Corporate be permitted to apply for the installation of separate meters to each dwelling unit, subject to payment of the prescribed charges.
7. In the case of existing developments supplied through bulk meters, where the account is in arrears and subject to disconnection for non payment of the account, it is proposed that the Head: Water and Sanitation or authorised delegate may elect to require the installation of separate meters to each unit and the payment of the prescribed charges.

The tariffs payable are as follows :

Item No.	Description	Tariff	Applicable Section
52	Charge for the installation of a class 2 water meter in a water installation	R370,09 + VAT R51,81 : R421,90	II/14 (2) or (3)
53	Monthly distribution charge payable per sub meter	R5,40 + VAT R0,76 : R 6,16	II/19 (d)

NA MACLEOD
HEAD : WATER & SANITATION
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